



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2009
OF THE CONDITION AND AFFAIRS OF THE

Group Hospitalization and Medical Services, Inc.

NAIC Group Code	00380	00380	NAIC Company Code	53007	Employer's ID Number	53-0078070
	(Current Period)	(Prior Period)				
Organized under the Laws of	District of Columbia		State of Domicile or Port of Entry	District of Columbia		
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [] Property/Casualty [] Dental Service Corporation [] Vision Service Corporation [] Other [] Health Maintenance Organization [] Hospital, Medical & Dental Service or Indemnity [X] Is HMO, Federally Qualified? Yes [] No []					
Incorporated/Organized	08/11/1939		Commenced Business	03/15/1934		
Statutory Home Office	840 First Street NE		Washington, DC 20065			
	(Street and Number)		(City or Town, State and Zip Code)			
Main Administrative Office	10455 Mill Run Circle		Owings Mills, MD 21117	410-581-3000		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	10455 Mill Run Circle		Owings Mills, MD 21117			
	(Street and Number or P.O. Box)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	10455 Mill Run Circle		Owings Mills, MD 21117	410-998-7011		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Web Site Address	www.carefirst.com					
Statutory Statement Contact	William Vincent Stack		410-998-7011			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	bill.stack@carefirst.com		410-998-6850			
	(E-mail Address)		(FAX Number)			

OFFICERS

Name	Title	Name	Title
Chester Emerson Burrell	President and Chief Executive Officer	John Anthony Picciotto	Corp.Secretary, Exec. VP & Gen. Counsel
Jeanne Ann Kennedy	Corp. Treasurer & VP		

OTHER OFFICERS

Glenn Donald Rothman	SVP, Shared Services	David Donald Wolf	EVP, Medical Systems
Gregory Mark Chaney	EVP, CFO	Gregory Allen Devou	EVP, Chief Mktg Office
Michael Bruce Edwards	SVP, Networks Mgmt	Gwendolyn Denise Skillern	SVP, General Auditor
Pamela Sue Deuterman	SVP, ASU-FEP	Michael John Felber	SVP, Sales
Sharon Jean Vecchioni	EVP, Chief of Staff	Rita Ann Costello	SVP, Strategic Marketing
Maria Harris Tildon	SVP, Public Policy	Jon Paul Shematek, M.D.	Chief Medical Officer
Dennis Allen Cupido	SVP, ASU-Large Groups	Kenny Waitem Kan	SVP, Chief Actuary
Andrew Francis Sullivan #	SVP, ASU-Consumer Direct	Kevin Charles O'Neill #	SVP, Strategic Managed Cared Initiatives
Steven Jon Margolis #	SVP, ASU-Small & Medium Groups	Kevin Charles O'Neill #	SVP, Strategic Managed Care Initiatives

DIRECTORS OR TRUSTEES

Elizabeth Oliver-Farrow	James Wallace	Linda Washington Cropp	Larry Donovan Bailey
Carlos Mario Rodriquez	Robert Marcellus Willis	Nathaniel Thomas Connally	Faye Ford Fields
Natalie Olivia Ludaway	Robert Lee Sloan	Ralph John Rohner	

State of
County of
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The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Chester Emerson Burrell President and Chief Executive Officer	John Anthony Picciotto Corp.Secretary, Exec. VP & Gen. Counsel	Jeanne Ann Kennedy Corp. Treasurer & VP
Subscribed and sworn to before me this _____ day of _____, _____		a. Is this an original filing? Yes [X] No []
		b. If no:
		1. State the amendment number _____
		2. Date filed _____
		3. Number of pages attached _____

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	597,080,682		597,080,682	611,460,470
2. Stocks:				
2.1 Preferred stocks	5,385,255		5,385,255	5,385,403
2.2 Common stocks	286,228,812		286,228,812	283,802,985
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$(70,521,294)), cash equivalents (\$0) and short-term investments (\$137,170,456).....	66,649,162		66,649,162	22,184,796
6. Contract loans (including \$premium notes).....			0	0
7. Other invested assets	10,430,024	166,667	10,263,357	506,034
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	965,773,935	166,667	965,607,268	923,339,688
11. Title plants less \$charged off (for Title insurers only).....			0	0
12. Investment income due and accrued	5,378,293		5,378,293	5,106,928
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	213,175,900	3,084,238	210,091,662	230,904,426
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
13.3 Accrued retrospective premiums.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	24,750,253		24,750,253	26,363,324
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts	206,911		206,911	636,577
15. Amounts receivable relating to uninsured plans	44,046,475	1,987,890	42,058,585	47,679,636
16.1 Current federal and foreign income tax recoverable and interest thereon	13,803,989		13,803,989	13,275,013
16.2 Net deferred tax asset.....	146,208,472	134,080,762	12,127,710	8,895,120
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....	88,280,764	86,564,660	1,716,104	1,452,593
19. Furniture and equipment, including health care delivery assets (\$)	6,732,349	6,732,349	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	8,547,165		8,547,165	8,896,000
22. Health care (\$50,536,433) and other amounts receivable.....	511,223,810	5,012,689	506,211,121	504,030,061
23. Aggregate write-ins for other than invested assets	75,879,190	73,520,198	2,358,992	2,355,686
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	2,104,007,506	311,149,453	1,792,858,053	1,772,935,052
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	2,104,007,506	311,149,453	1,792,858,053	1,772,935,052
DETAILS OF WRITE-INS				
0901.			0	
0902.			0	
0903.			0	
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. Other Assets.....	2,358,992		2,358,992	2,355,686
2302. Other Assets Non-Admitted - Prepaid Expenses.....	24,374,946	24,374,946	0	0
2303. Other-Assets Non-Admitted - Prepaid pension.....	48,856,354	48,856,354	0	
2398. Summary of remaining write-ins for Line 23 from overflow page	288,898	288,898	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	75,879,190	73,520,198	2,358,992	2,355,686

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$31,547,132 reinsurance ceded).....	260,650,041	12,555	260,662,596	271,596,790
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	10,670,277	523	10,670,800	10,120,800
4. Aggregate health policy reserves	455,674,687		455,674,687	455,674,687
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	80,532,089		80,532,089	73,389,418
9. General expenses due or accrued	103,932,039		103,932,039	107,065,396
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable	48,251,952		48,251,952	53,726,412
12. Amounts withheld or retained for the account of others	37,279,871		37,279,871	64,105,435
13. Remittances and items not allocated	5,062,426		5,062,426	5,187,502
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	34,230,151		34,230,151	12,103,349
16. Payable for securities			0	0
17. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans	24,457,922		24,457,922	24,742,235
21. Aggregate write-ins for other liabilities (including \$411,411 current)	7,426,260	0	7,426,260	8,443,312
22. Total liabilities (Lines 1 to 21).....	1,068,167,715	13,078	1,068,180,793	1,086,155,336
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX		0
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX		0
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	724,677,255	686,779,718
30. Less treasury stock, at cost:				
30.1shares common (value included in Line 24 \$)	XXX	XXX		0
30.2shares preferred (value included in Line 25 \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	724,677,255	686,779,718
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	1,792,858,048	1,772,935,054
DETAILS OF WRITE-INS				
2101. Amounts Withheld for Escheatment.....	7,014,849		7,014,849	7,906,880
2102. Reinsurance Payable.....	411,411		411,411	536,432
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	7,426,260	0	7,426,260	8,443,312
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	7,713,003	7,819,066	10,975,857
2. Net premium income (including \$ non-health premium income).....	XXX	2,138,348,080	2,326,339,369	2,815,214,149
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		.0	(71,218,678)
4. Fee-for-service (net of \$ medical expenses).....	XXX		.0	.0
5. Risk revenue.....	XXX		.0	.0
6. Aggregate write-ins for other health care related revenues.....	XXX	9,080,074	11,022,422	13,515,534
7. Aggregate write-ins for other non-health revenues.....	XXX	.0	.0	.0
8. Total revenues (Lines 2 to 7).....	XXX	2,147,428,154	2,337,361,791	2,757,511,005
Hospital and Medical:				
9. Hospital/medical benefits.....	91,466	1,349,547,597	1,356,441,272	1,757,032,209
10. Other professional services.....		46,965,751	45,912,633	60,309,125
11. Outside referrals.....			.0	.0
12. Emergency room and out-of-area.....	10,839	200,787,300	183,991,591	251,354,756
13. Prescription drugs.....		526,551,241	500,579,731	667,466,588
14. Aggregate write-ins for other hospital and medical.....	.0	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts.....			.0	.0
16. Subtotal (Lines 9 to 15).....	102,305	2,123,851,889	2,086,925,227	2,736,162,678
Less:				
17. Net reinsurance recoveries.....		207,084,270	(4,867,140)	257,634,048
18. Total hospital and medical (Lines 16 minus 17).....	102,305	1,916,767,619	2,091,792,367	2,478,528,630
19. Non-health claims (net).....			.0	.0
20. Claims adjustment expenses, including \$ 13,652,720 cost containment expenses.....		69,617,078	70,539,539	85,485,704
21. General administrative expenses.....		161,885,851	163,411,037	183,980,707
22. Increase in reserves for life and accident and health contracts (including \$.0 increase in reserves for life only).....			.0	.0
23. Total underwriting deductions (Lines 18 through 22).....	102,305	2,148,270,548	2,325,742,943	2,747,995,041
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	(842,394)	11,618,848	9,515,964
25. Net investment income earned.....		25,693,020	30,597,977	42,338,600
26. Net realized capital gains (losses) less capital gains tax of \$ 1,938,770.....		7,755,078	8,592,683	(18,019,830)
27. Net investment gains (losses) (Lines 25 plus 26).....	.0	33,448,098	39,190,660	24,318,770
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)].....			.0	.0
29. Aggregate write-ins for other income or expenses.....	.0	(23,784)	52,092	(3,237)
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	32,581,920	50,861,600	33,831,497
31. Federal and foreign income taxes incurred.....	XXX	(2,150,367)	10,438,701	7,571,329
32. Net income (loss) (Lines 30 minus 31).....	XXX	34,732,287	40,422,899	26,260,168
DETAILS OF WRITE-INS				
0601. FEP Operations Center Performance Incentive.....	XXX	9,034,000	10,940,000	13,401,000
0602. Access fee Trigon.....	XXX	46,074	82,422	114,534
0603.	XXX		.0	.0
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX	9,080,074	11,022,422	13,515,534
0701.	XXX		.0	.0
0702.	XXX		.0	.0
0703.	XXX		.0	.0
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	.0	.0	.0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX	.0	.0	.0
1401.0	.0
1402.0	.0
1403.0	.0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	.0	.0	.0	.0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	.0	.0	.0	.0
2901. Miscellaneous.....		(23,784)	52,092	(3,237)
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	.0	.0	.0	.0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	.0	(23,784)	52,092	(3,237)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	686,779,717	753,558,919	753,558,919
34. Net income or (loss) from Line 32	34,732,287	40,422,899	26,260,168
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$2,702,474	25,474,257	(18,665,143)	(10,492,177)
37. Change in net unrealized foreign exchange capital gain or (loss)		(373,294)	(373,294)
38. Change in net deferred income tax	3,850,378	433,302	126,262,466
39. Change in nonadmitted assets	(29,788,308)	(16,245,336)	(186,120,834)
40. Change in unauthorized reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles	1,633,801	0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	0
47. Aggregate write-ins for gains or (losses) in surplus	1,995,122	0	(22,315,531)
48. Net change in capital and surplus (Lines 34 to 47)	37,897,537	5,572,428	(66,779,202)
49. Capital and surplus end of reporting period (Line 33 plus 48)	724,677,254	759,131,347	686,779,717
DETAILS OF WRITE-INS			
4701. Correction of an Accounting error.....	1,995,122	0	636
4702. Change in accumulated other - pension.....		0	(22,316,167)
4703.		0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	1,995,122	0	(22,315,531)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	2,158,892,096	2,802,525,818
2. Net investment income	24,714,374	43,753,586
3. Miscellaneous income	9,080,074	13,515,534
4. Total (Lines 1 to 3)	2,192,686,544	2,859,794,938
5. Benefit and loss related payments	1,924,838,348	2,537,866,704
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions	207,144,517	289,267,152
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(181,400)	11,044,044
10. Total (Lines 5 through 9)	2,131,801,465	2,838,177,900
11. Net cash from operations (Line 4 minus Line 10)	60,885,079	21,617,038
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	578,842,367	1,114,739,188
12.2 Stocks	88,090,443	67,529,066
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	31	0
12.7 Miscellaneous proceeds	3,436,618	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	670,369,459	1,182,268,254
13. Cost of investments acquired (long-term only):		
13.1 Bonds	565,178,970	1,052,069,860
13.2 Stocks	47,541,092	115,725,614
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	10,044,703	506,034
13.6 Miscellaneous applications	5,196,254	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	627,961,019	1,168,301,508
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	42,408,440	13,966,746
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	(58,829,152)	(19,360,403)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(58,829,152)	(19,360,403)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	44,464,367	16,223,381
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	22,184,795	5,961,414
19.2 End of period (Line 18 plus Line 19.1)	66,649,162	22,184,795

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	882,443	45,421	356,251	5,833	.0	12,034	347,426	.5	.0	115,473
2 First Quarter	859,091	47,063	355,578	5,696	.0	11,936	350,245	.65	.0	88,508
3 Second Quarter	859,495	49,511	352,752	5,623	.0	11,301	350,957	.65	.0	89,286
4. Third Quarter	855,646	50,578	348,643	5,598		13,054	352,398	.63		85,312
5. Current Year	0									
6 Current Year Member Months	7,713,003	435,458	3,178,338	50,931		107,060	3,154,193	578		786,445
Total Member Ambulatory Encounters for Period:										
7. Physician	4,304,182	204,870	1,731,996	59,761			2,307,423			132
8. Non-Physician	735,574	30,233	269,868	10,232			425,227			14
9. Total	5,039,756	235,103	2,001,864	69,993	0	0	2,732,650	0	0	146
10. Hospital Patient Days Incurred	203,137	6,850	55,972	7,218			133,067			30
11. Number of Inpatient Admissions	41,111	1,466	14,138	1,115			24,387			5
12. Health Premiums Written (a)	2,391,487,710	108,909,635	1,079,216,457	11,288,370		54,472,711	1,123,280,746	663,041		13,656,750
13. Life Premiums Direct0									
14. Property/Casualty Premiums Written0									
15. Health Premiums Earned	2,391,487,710	108,909,635	1,079,216,457	11,288,370		54,472,711	1,123,280,746	663,041		13,656,750
16. Property/Casualty Premiums Earned0									
17. Amount Paid for Provision of Health Care Services	2,135,864,647	90,354,051	897,684,981	8,498,953		38,868,194	1,094,691,525	417,999		5,348,944
18. Amount Incurred for Provision of Health Care Services	2,123,851,890	90,881,091	900,002,661	8,441,713		39,964,394	1,078,785,907	417,980		5,358,144

(a) For heath premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 663,041

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	86,481,021	720,422,039	3,816,951	100,517,852	90,297,972	99,985,836
2. Medicare Supplement	3,453,920	14,832,355	183,480	3,724,952	3,637,400	3,931,879
3. Dental Only	1,963,995	17,477,662	22,507	2,628,055	1,986,502	2,050,704
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan	142,284,898	952,406,627	4,818,510	141,053,057	147,103,408	161,777,184
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid			1,704,417	2,192,816	1,704,417	0
8. Other health	2,798,970	6,673,528			2,798,970	3,851,186
9. Health subtotal (Lines 1 to 8).....	236,982,804	1,711,812,211	10,545,865	250,116,732	247,528,669	271,596,789
10. Health care receivables (a)		21,093,201	0		0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts					0	0
13. Totals	236,982,804	1,690,719,010	10,545,865	250,116,732	247,528,669	271,596,789

(a) Excludes \$34,087,300 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The DISB recognizes only statutory accounting practices prescribed or permitted by the District of Columbia for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the District of Columbia Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed practices by the District of Columbia. The Company does not utilize any permitted practices.

For the nine months ending September 30, 2009 and 2008, there were no differences in net income and surplus between NAIC SAP and practices prescribed by the District of Columbia.

B. Use of Estimates in the Preparation of the Financial Statements

No change.

C. Accounting Policy

No change.

2. Accounting Changes and Corrections of Errors

During the 2nd quarter of 2009, the Company corrected its accounting policy regarding non-admitted assets and the recording of an accounts receivable allowance account.

As a result of the correction noted above, the Company recorded an increase of \$1,995,000 directly to surplus. This adjustment was comprised of reversing the allowance for doubtful accounts of \$6,320,000 as of December 31, 2008, recording additional non-admitted assets of \$3,826,000 and decreasing the gross and net admitted deferred tax assets of \$499,000.

Upon the adoption of *SSAP No. 43R Loan-backed and Structured Securities* (SSAP No. 43R), the Company evaluated the loan-backed securities held at July 1, 2009 that continue to be held as of September 30, 2009 for which a previous other-than-temporary impairment was recognized. The Company identified those securities that it does not currently intend to sell and has the intent and ability to retain for a period of time sufficient to recover the amortized cost basis. As a result of this analysis, the Company recorded a cumulative effect adjustment of \$1,634,000 to the opening balance of surplus with a corresponding adjustment to bonds as of July, 1, 2009.

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

No change.

5. Investments

D. Loan-backed Securities

(4) Effective July 1, 2009, the Company adopted SSAP No. 43R. For the quarter ending September 30, 2009, the Company recognized \$862,000 of other-than-temporary impairment (OTTI) in securities that the Company has the intent to hold but does not expect to recover the entire amortized cost basis of the securities (present value of cash flows expected to be collected is less than the amortized cost basis of the securities).

(5) The following table details the securities by CUSIP, currently held by the Company, for which other-than-temporary impairment was recognized, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than- temporary impairment	Amortized cost after other- than-temporary impairment	Fair Value
02151A-AJ-9	1,068,622	640,224	428,398	640,224	984,321
02147L-AL-7	5,582,955	5,149,161	433,794	5,149,161	2,967,213
	6,651,577	5,789,385	862,192	5,789,385	3,951,534

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

No change.

7. Investment Income

No change.

8. Derivative Instruments

No change.

9. Income Taxes

The components of the net deferred tax asset recognized in the Company’s Assets, Liabilities, and Capital and Surplus are as follows:

				Sep. 30, 2009	Dec. 31, 2008
Total of gross deferred tax assets				\$149,784,953	\$147,802,812
Total of deferred tax liabilities				(3,576,482)	(2,243,465)
Net deferred tax asset				146,208,471	145,559,347
Deferred tax asset nonadmitted				(134,080,762)	(136,664,227)
Net admitted deferred tax asset				12,127,709	8,895,120
(Increase) decrease in nonadmitted asset				\$2,583,465	\$(132,890,864)

The provisions for incurred taxes on earnings:

	Sep 30, 2009	Sep 30, 2008	Dec 31, 2008
Federal provision	(2,150,367)	10,438,701	7,571,329
Federal income tax on net capital gains	1,938,770	2,148,170	(4,504,957)
Federal income taxes incurred	(211,597)	12,586,871	7,571,329

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	Sep. 30, 2009	Dec. 31, 2008
Deferred tax assets:		
Accounts Receivable	\$2,633,574	\$2,211,855
Investments	1,049,718	4,883,090
Benefit Obligations	16,152,674	15,446,956
Accrued Expenses	5,382,693	5,359,587
Unpaid Claims	2,682,543	2,765,134
AMT Credits	108,230,740	108,230,741
Nonadmitted deferred tax assets and other	13,653,011	8,905,449
Total deferred tax assets	149,784,953	147,802,812
Nonadmitted deferred tax assets	(134,080,762)	(136,664,227)
Admitted deferred tax assets	15,704,191	11,138,585
Deferred tax liabilities:		
FAS 115	(1,607,123)	0
Other	(1,969,359)	(2,243,465)
Total deferred tax liabilities	(3,576,482)	(2,243,465)
Net Admitted deferred tax assets	\$12,127,709	\$8,895,120

The change in net deferred income taxes is comprised of the following:

			Sep. 30, 2009	Dec. 31, 2008	Change
Total deferred tax assets			\$149,784,953	\$147,802,812	\$1,982,141
Total deferred tax liabilities			(3,576,482)	(2,243,465)	(1,333,017)

NOTES TO FINANCIAL STATEMENTS

Net deferred tax asset(liability)		\$146,208,471	\$145,559,347	649,124
Tax effect of unrealized gains(losses)				2,702,474
Change in net deferred income tax				3,351,598

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows: principally as a result of 833(b) deduction, mark-up for intercompany services, changes in tax contingency reserves and valuation allowance.

The Company has accumulated Alternative Minimum Tax (AMT) credits at September 30, 2009, which can be used, in certain circumstances, to offset future regular tax.

The Company is included in a consolidated federal income tax return of CareFirst, Inc. The Company has a written agreement, which sets forth the manner in which the total combined federal income tax is allocated to each entity, which is a party to the consolidation. The agreement calls for an allocation based on the Company's pre-tax income after affecting for permanent differences at the alternative minimum tax rates. The federal tax allocation for both 2009 and 2008 was 20 percent of pre-tax income after permanent differences. These amounts are included in provision for income taxes in the accompanying statements of revenue and expenses --statutory basis.

Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

10. Information Concerning Parent, Subsidiaries and Affiliates

Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) is a not-for-profit company that provides a comprehensive array of health insurance and managed care products and services primarily through indemnity health insurance, health maintenance organization coverage and health benefits administration. Other products and services include preferred provider and point-of-service networks, third-party administrator services and other managed care services. These products and services are provided to individuals, businesses and governmental agencies primarily in the Washington, D.C. metropolitan area.

The Company and CareFirst of Maryland, Inc. (CFMI) are both affiliates of a not-for-profit parent company, CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield. The Company and CFMI also hold a 40% and 60% interest, respectively, in a health maintenance organization subsidiary, CareFirst BlueChoice, Inc. (CFBC). Since control over CFBC operations is vested in CFI, the Company has determined that neither the Company nor CFMI exercise control over CFBC.

Certain business has been written by CFMI and GHMSI which represents contracts outside the historic CFMI and GHMSI service areas (cross-jurisdictional sales). The Boards of CFI, CFMI and GHMSI approved redistribution of earnings between CFMI and GHMSI related to cross-jurisdictional sales. The income from operations from this cross-jurisdictional business would be transferred via a quota share reinsurance contract from the company that earned them to the company in whose service area they were earned. The Company received regulatory approval for these earnings redistributions, effective January 1, 2008.

The Boards of CFI, CFMI, and GHMSI have approved earnings redistributions to evenly share changes in the statutory surplus of CFBC. In 2008, the Boards approved in principle the creation of a new holding company, CareFirst Holdings, LLC. (CHC), which would be owned 50%/50% by CFMI and GHMSI, respectively. Following regulatory approval, the establishment of CHC would satisfy the earning redistributions of CFBC.

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

No change.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

Change in net unrealized capital gains (losses) for the nine months ending September 30, 2009:

Change in the unrealized gain/losses Change

NOTES TO FINANCIAL STATEMENTS

from:

Affiliated Common Stocks:	
Blue Choice (40%)	\$ 20,547,089
NCIA	296,376
NCAS	(796,538)
Unaffiliated Common Stocks	15,901,154
Bonds & Preferred Stocks	(7,892,420)
Blue Venture	(287,380)
Total unrealized gains/loss	27,768,281
Capital Gains Deferred tax	(2,294,024)
Change in net unrealized capital gains (losses) less capital gains tax (Page 5 Ln 36)	\$ 25,474,257

14. Contingencies

Effective November 2, 2006, the contract of the President and Chief Executive Officer (CEO) of CFI, CFMI and GHMSI was terminated by mutual agreement with the Boards of those various entities. The amount to be paid in severance, pension and other payments resulting from his separation is subject to review and approval by the MIA and may be subject to review and approval by the District of Columbia Department of Insurance, Securities and Banking. Pursuant to a hearing, the Insurance Commissioner for the State of Maryland allowed a portion of the proposed payment to the former President and CEO and disallowed the remainder. The former President and CEO has appealed the Insurance Commissioner’s decision to the Circuit Court of Maryland. The former President and CEO is also maintaining an action against CFI to compel full payment under his contract. In 2008, the Company paid the amount authorized by the Maryland Insurance Commissioner.

In June 2008, the District of Columbia’s City Council Committee on Public Services and Consumer Affairs (D.C. City Council) launched an investigation of and issued a subpoena to GHMSI and CFI regarding various items including the accumulation of statutory surplus, rate setting, executive compensation, and community benefits. CFI has responded to the D.C. City Council and has provided the information requested. In December 2008, the D.C. City Council passed legislation giving the District of Columbia’s Insurance Commissioner (Commissioner) authority to cap GHMSI’s statutory reserves attributable to the District of Columbia and compel the offering of an expanded open enrollment product in the District of Columbia. Pursuant to this law a hearing was by the Commissioner to inquire into the appropriateness of GHMSI’s reserve level. A decision is expected by the Commissioner by year-end 2009.

The Company has insureds that are qualified Medicare beneficiaries. The Centers for Medicare and Medicaid Services (CMS) has written rules that determine which of the Company’s insureds medical claims should be paid first by CMS or the Company (primary payor) and then the portion of the claim that would be paid by the party not paying as primary payor (secondary payor). As a result of system errors, the Company incorrectly paid as the secondary payor on certain claims resulting in CMS paying as the primary payor. The issues were communicated to CMS in May 2009. As of September 30, 2009, the Company’s liability to CMS has not been fully determined. In April 2009, corrective measures began to (1) correctly identify Medicare beneficiaries that should be paid primary and (2) modify software programs to correctly adjudicate claims to Medicare beneficiaries.

During 2008, the Company made a commitment to fund a limited partnership in the amount of \$7,500,000. The amount of the unfunded commitment was \$6,213,000 at September 30, 2009. The Company anticipates that the additional amount will be invested in the limited partnership over the next five years.

15. Leases

No change.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not Applicable.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The results from operations of uninsured ASC plans and the uninsured portion of partially insured plans were as follows for the nine-month periods ending September 30, 2009 and 2008 (in thousands):

NOTES TO FINANCIAL STATEMENTS

	September 30, 2009	September 30, 2008
Gross reimbursement for medical costs incurred	\$ 809,391	\$ 737,891
Gross administrative fees accrued	58,154	49,830
Gross expenses incurred	(880,709)	(800,716)
Operating gain or (loss), before stop loss	(13,164)	(12,995)
Stop loss, net	5,954	7,282
Proforma operating gain or (loss)	\$ (7,210)	(5,713)

The stop loss amount reported represents stop loss written for the ASC business shown above. For the nine months-ending September 30, 2009, GHMSI ceded an ASC underwriting loss of \$5,879,000 to CFMI and assumed an ASC underwriting loss of \$4,444,000 from CFMI for a net underwriting gain of \$1,435,000.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Other Items

No change.5

21. Events Subsequent

Not Applicable.

22. Reinsurance

Effective January 1, 2006, the Company entered into a quota-share reinsurance agreement with FirstCare, Inc. (FirstCare), a wholly-owned subsidiary of CFS Health Group, Inc. (CFS), which in turn is a wholly-owned subsidiary of CFMI. The agreement relates to all Medicare Part D insurance policies written by FirstCare for individuals living in the Company’s service areas. Under the terms of the agreement, the Company assumes all underwriting risk on the business written in its service areas. For the nine months ending September 30, 2009, the Company assumed risk premiums in the amount of \$5,239,000 and incurred an underwriting loss in the amount of \$681,000 as a result of the quota-share reinsurance contract with FirstCare.

The Company entered into a quota share cross-jurisdictional reinsurance agreement with CFMI, effective January 1, 2008 (see Note #10). For the nine months ending September 30, 2009, the following amounts were assumed from and ceded to CFMI as a result of this reinsurance (*in thousands*):

	September r 30, 2009
Premiums assumed	\$ 48,470
Premiums ceded	(306,863)
Premiums, net	(258,393)
Cost of care assumed	41,185
Cost of care ceded	(253,233)
Cost of care, net	(212,048)
General and administrative expenses ceded, net	(45,639)
Net loss assumed from CFMI	\$ (706)

Note: The amounts above include risk and non-risk business.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No change.

24. Change in Incurred Claims and Claim Adjustment Expenses

As of September 30, 2009, \$236,983,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$10,546,000 as a result of re-estimation of unpaid claims and unpaid claims

NOTES TO FINANCIAL STATEMENTS

adjustment expenses. Therefore, there has been a \$24,068,000 favorable prior year development since December 31, 2008 to September 30, 2009. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

25. Intercompany Pooling Arrangements

Not applicable.

26. Structured Settlements

Not applicable.

27. Health Care Receivables

No change.

28. Participating Policies

Not applicable.

29. Premium Deficiency Reserve

Not applicable.

30. Salvage and Subrogation

No change.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior-year, end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2008
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2008
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

10/12/2009
- 6.4

By what department or departments?

District of Columbia Department of Insurance, Securities and Banking
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☒ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$0

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]
- 11.2

If yes, give full and complete information relating thereto:
.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:\$0
13.

Amount of real estate and mortgages held in short-term investments:\$0
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$179,364,062	\$199,410,990
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$179,364,062	\$199,410,990
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$0	\$

- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []
- If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] No []

16.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
SUNTRUST BANK.....	1445 NEW YORK AVE., WASHINGTON DC 20005.....
.....

16.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
15958.....	VANGUARD.....	P.O. BOX. 2900, VALLEY FORGE, PA. 19482 - 2900.....
104596.....	DODGE AND COX.....	55 CALIFORNIA ST., SAN FRANCISCO, CA. 94104.....
107105.....	BLACKROCK INVESTMENT ADVISORS.....	100 BELLEVUE PARKWAY, WASHINGTON DE. 19809.....
10578.....	CALAMOS INVESTMENTS.....	1111 WARRENVILLE RD. NAPERVILLE, IL. 60563-1493.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

.....

6.6 Footnote:

The reinsurance agreement has been amended and submitted to the Department of Insurance, Securities and Banking for approval. All other recommendations have been complied with.

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Consideration s	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama	AL	N						0		
2. Alaska	AK	N						0		
3. Arizona	AZ	N						0		
4. Arkansas	AR	N						0		
5. California	CA	N						0		
6. Colorado	CO	N						0		
7. Connecticut	CT	N						0		
8. Delaware	DE	N						0		
9. Dist. of Columbia	DC	L	337,556,889	0				337,556,889		
10. Florida	FL	N			1,123,280,746			1,123,280,746		
11. Georgia	GA	N						0		
12. Hawaii	HI	N						0		
13. Idaho	ID	N						0		
14. Illinois	IL	N						0		
15. Indiana	IN	N						0		
16. Iowa	IA	N						0		
17. Kansas	KS	N						0		
18. Kentucky	KY	N						0		
19. Louisiana	LA	N						0		
20. Maine	ME	N		663,041				663,041		
21. Maryland	MD	L	570,819,092					570,819,092		
22. Massachusetts	MA	N						0		
23. Michigan	MI	N						0		
24. Minnesota	MN	N						0		
25. Mississippi	MS	N						0		
26. Missouri	MO	N						0		
27. Montana	MT	N						0		
28. Nebraska	NE	N						0		
29. Nevada	NV	N						0		
30. New Hampshire	NH	N						0		
31. New Jersey	NJ	N						0		
32. New Mexico	NM	N						0		
33. New York	NY	N						0		
34. North Carolina	NC	N						0		
35. North Dakota	ND	N						0		
36. Ohio	OH	N						0		
37. Oklahoma	OK	N						0		
38. Oregon	OR	N						0		
39. Pennsylvania	PA	N						0		
40. Rhode Island	RI	N						0		
41. South Carolina	SC	N						0		
42. South Dakota	SD	N						0		
43. Tennessee	TN	N						0		
44. Texas	TX	N						0		
45. Utah	UT	N						0		
46. Vermont	VT	N						0		
47. Virginia	VA	L	359,167,943					359,167,943		
48. Washington	WA	N						0		
49. West Virginia	WV	N						0		
50. Wisconsin	WI	N						0		
51. Wyoming	WY	N						0		
52. American Samoa	AS	N						0		
53. Guam	GU	N						0		
54. Puerto Rico	PR	N						0		
55. U.S. Virgin Islands	VI	N						0		
56. Northern Mariana Islands	MP	N						0		
57. Canada	CN	N						0		
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	
59. Subtotal	XXX		1,267,543,924	663,041	0	1,123,280,746	0	2,391,487,711	0	
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a)	3	1,267,543,924	663,041	0	1,123,280,746	0	2,391,487,711	0	
DETAILS OF WRITE-INS										
5801.	XXX							0		
5802.	XXX							0		
5803.	XXX							0		
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	0	0	0	0	0		

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....YES.....

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

MQ002 Additional Aggregate Lines for Page 02 Line 23.
*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2304. Other-Assets Non-Admitted - Pension intangible.....	288,898	288,898	0	0
2397. Summary of remaining write-ins for Line 23 from Page 02	288,898	288,898	0	0

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		0
2.2. Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted accounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	672,701	166,667
2. Cost of acquired:		
2.1. Actual cost at time of acquisition	9,263,266	75,000
2.2. Additional investment made after acquisition	781,437	431,034
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)	(287,380)	0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	10,430,024	672,701
12. Deduct total nonadmitted amounts	166,667	166,667
13. Statement value at end of current period (Line 11 minus Line 12)	10,263,357	506,034

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	900,648,872	957,517,259
2. Cost of bonds and stocks acquired	614,353,460	1,167,795,491
3. Accrual of discount	2,585,631	1,558,517
4. Unrealized valuation increase (decrease)	28,200,068	(11,818,720)
5. Total gain (loss) on disposals	14,890,102	11,714,715
6. Deduct consideration for bonds and stocks disposed of	666,932,415	1,182,268,273
7. Deduct amortization of premium	1,878,350	1,806,980
8. Total foreign exchange change in book/adjusted carrying value	0	(400,500)
9. Deduct current year's other than temporary impairment recognized	3,172,605	41,642,637
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	888,694,763	900,648,872
11. Deduct total nonadmitted amounts	0	
12. Statement value at end of current period (Line 10 minus Line 11)	888,694,763	900,648,872

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	577,579,570	401,499,538	406,781,555	(10,622,091)	552,672,726	577,579,570	561,675,462	589,007,099
2. Class 2 (a).....	116,867,252	16,489,885	15,737,542	7,343,170	126,897,211	116,867,252	124,962,765	105,053,058
3. Class 3 (a).....	13,475,195	0	208,026	137,067	6,697,874	13,475,195	13,404,236	11,637,566
4. Class 4 (a).....	8,996,940	0	803,289	(6,963,989)	701,948	8,996,940	1,229,662	4,475,250
5. Class 5 (a).....	14,593,296	0	1,333,754	10,283,165	10,612,974	14,593,296	23,542,707	1,527,919
6. Class 6 (a).....	5,836,390	0	422,059	4,021,943	6,188,079	5,836,390	9,436,274	5,583,075
7. Total Bonds	737,348,643	417,989,423	425,286,225	4,199,265	703,770,812	737,348,643	734,251,106	717,283,967
PREFERRED STOCK								
8. Class 1	937,875	0	0	96,266	787,281	937,875	1,034,141	2,604,473
9. Class 2	3,847,664	0	0	131,539	2,420,389	3,847,664	3,979,203	1,719,179
10. Class 3	346,828	0	0	25,082	1,057,189	346,828	371,910	1,061,750
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	5,132,367	0	0	252,887	4,264,859	5,132,367	5,385,254	5,385,402
15. Total Bonds & Preferred Stock	742,481,010	417,989,423	425,286,225	4,452,152	708,035,671	742,481,010	739,636,360	722,669,369

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$0 ; NAIC 2 \$0 ;
NAIC 3 \$0 ; NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

SCHEDULE DA - PART 1
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	137,170,456	XXX	137,170,456	73,639	0

SCHEDULE DA - VERIFICATION
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	105,823,496	86,001,637
2. Cost of short-term investments acquired	265,475,227	315,755,177
3. Accrual of discount	4	0
4. Unrealized valuation increase (decrease).....	31	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	234,128,302	295,933,318
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	137,170,456	105,823,496
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	137,170,456	105,823,496

Schedule DB - Part F - Section 1
NONE

Schedule DB - Part F - Section 2
NONE

Schedule E - Verification
NONE

Schedule A - Part 2
NONE

Schedule A - Part 3
NONE

Schedule B - Part 2
NONE

Schedule B - Part 3
NONE

E03

NONE

NONE

[illegible]

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
Bonds - U.S. Governments									
31398A-DM-1	FEDERAL NATL MTG ASSN		08/24/2009	LINSCO/PRIVATE LEDGER COR		16,682,550	15,000,000	163,490	1
912810-QC-5	UNITED STATES TREAS BDS		09/08/2009	VARIOUS		36,871,279	35,370,000	105,471	1
912828-CJ-7	UNITED STATES TREAS NTS		07/23/2009	BOENNING & SCATTERGOOD IN		5,512,695	5,000,000	47,758	1
912828-JH-4	UNITED STATES TREAS NTS		07/31/2009	Salomon Smith Barney		504,552	485,000	9,164	1
912828-JY-7	UNITED STATES TREAS NTS		09/15/2009	BANC AMERICA SECURITIES L		15,056,836	15,000,000	17,476	1
912828-KD-1	UNITED STATES TREAS NTS		07/08/2009	BOENNING & SCATTERGOOD IN		13,345,938	14,000,000	153,149	1
912828-KP-4	UNITED STATES TREAS NTS		07/10/2009	WHEAT FIRST-1ST CLEARING		14,032,266	14,000,000	30,863	1
912828-KQ-2	UNITED STATES TREAS NTS		08/10/2009	VARIOUS		18,612,915	19,300,000	99,089	1
912828-KU-3	UNITED STATES TREAS NTS		07/10/2009	WHEAT FIRST-1ST CLEARING		14,012,578	14,000,000	14,392	1
912828-KV-1	UNITED STATES TREAS NTS		07/08/2009	BOENNING & SCATTERGOOD IN		14,018,047	14,000,000	33,566	1
912828-KW-9	UNITED STATES TREAS NTS		07/08/2009	BOENNING & SCATTERGOOD IN		14,308,438	14,000,000	48,484	1
912828-KX-7	UNITED STATES TREAS NTS		07/07/2009	BOENNING & SCATTERGOOD IN		14,181,563	14,000,000	16,496	1
912828-KY-5	UNITED STATES TREAS NTS		07/23/2009	VARIOUS		22,230,000	22,000,000	21,685	1
912828-KZ-2	UNITED STATES TREAS NTS		07/23/2009	VARIOUS		19,907,666	19,775,000	23,655	1
912828-LB-4	UNITED STATES TREAS NTS		07/23/2009	BOENNING & SCATTERGOOD IN		7,996,875	8,000,000	2,935	1
912828-LC-2	UNITED STATES TREAS NTS		08/20/2009	VARIOUS		1,766,744	1,760,000	2,214	1
912828-LF-5	UNITED STATES TREAS NTS		08/20/2009	VARIOUS		30,113,750	30,000,000	22,989	1
912828-LG-3	UNITED STATES TREAS NTS		08/20/2009	BOENNING & SCATTERGOOD IN		8,003,750	8,000,000	5,435	1
912828-LJ-7	UNITED STATES TREAS NTS		09/29/2009	VARIOUS		1,987,303	1,950,000	2,956	1
912828-LL-2	UNITED STATES TREAS NTS		09/02/2009	VARIOUS		279,717	280,000	55	1
912828-LV-0	UNITED STATES TREAS NTS		09/03/2009	BOENNING & SCATTERGOOD IN		10,025,000	10,000,000	1,105	1
0399999 - Total - Bonds - U.S. Government						279,450,462	275,920,000	822,427	XXX
Bonds - All Other Government									
135087-ZA-5	CANADA GOVT BD 2.375%14		09/02/2009	RBC CAPITAL MARKETS CORP		770,544	775,000	0	1FE
1099999 - Total - Bonds - All Other Government						770,544	775,000	0	XXX
Bonds - U.S. States, Territories and Possessions									
13062T-H6-4	CALIFORNIA ST GO		09/24/2009	GOLDMAN, SACHS & CO		416,925	450,000	3,263	2FE
13063A-5E-0	CALIFORNIA ST GO		07/06/2009	BARCLAYS CAPITAL LE		454,965	500,000	7,396	2FE
13063A-5G-5	CALIFORNIA ST GO		07/27/2009	BARCLAYS CAPITAL LE		828,506	825,000	15,719	2FE
64966E-CJ-4	NEW YORK N Y GO		09/25/2009	MORGAN STANLEY&CO INC PRO		31,418	30,000	121	1FE
882722-KF-7	TEXAS ST GO		08/19/2009	MLPF&S Fixed Income Ops		225,000	225,000	0	1FE
1799999 - Totals - Bonds - U.S. States, Territories and Possessions						1,956,814	2,030,000	26,499	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
902273-SS-1	TYLER TEX INDPT SCH DIST GO		09/24/2009	PRAGER, SEALY & CO LLC		31,875	30,000	946	1FE
2499999 - Totals - Bonds - Political Subdivisions of States, Territories and Possessions						31,875	30,000	946	XXX
Bonds - U.S. Special Revenue									
231266-FD-4	CURATORS UNIV MO SYS FACS REV SYS		07/16/2009	CHASE SECURITIES, INC		125,000	125,000	0	1FE
312935-GC-7	FHLMC PC GOLD COMB 30		09/18/2009	BANC AMERICA SECURITIES L		186,181	184,766	508	1
312935-GD-5	FHLMC PC GOLD COMB 30		09/18/2009	BANC AMERICA SECURITIES L		90,574	89,886	247	1
312935-JA-8	FHLMC PC GOLD COMB 30		09/18/2009	BANC AMERICA SECURITIES L		251,611	249,699	687	1
31410R-M3-0	FNMA PASS-THRU ADJ LIBOR		07/10/2009	STATE STREET BANK & TRUST		760,936	720,839	1,689	1
31413J-CZ-5	FNMA PASS-THRU INT 15 YEAR		07/02/2009	CREDIT SUISSE FIRST BOSTO		670,868	646,912	1,348	1
31416T-5F-2	FNMA PASS-THRU LNG 30 YEAR		09/29/2009	BNP PARIBAS SECURITIES BO		1,440,854	1,418,960	5,144	1
31417J-M6-4	FNMA PASS-THRU LNG 30 YEAR		09/18/2009	BANC AMERICA SECURITIES L		1,712,553	1,697,698	4,669	1
31417Q-K5-2	FNMA PASS-THRU LNG 30 YEAR		09/29/2009	BNP PARIBAS SECURITIES BO		431,458	425,000	1,541	1
31418M-C6-5	FNMA PASS-THRU LNG 10 7-10YR		07/27/2009	Barclays Capital		6,484,288	6,077,833	13,169	1
31410K-6E-9	FNMA PASS-THRU INT 15 YEAR		09/28/2009	Barclays Capital		557,080	530,000	2,135	1
31410K-6G-4	FNMA PASS-THRU INT 15 YEAR		09/28/2009	Barclays Capital		184,188	175,000	705	1
31418M-G3-0	FNMA POOL #AD0217 6.000% 9/01/		08/20/2009	GOLDMAN, SACHS & CO		5,439,303	5,146,591	11,151	1
31418M-J5-2	FNMA POOL #AD0283 5.500% 9/01/		09/21/2009	SALOMON SMITH BARNEY INC/		4,996,320	4,700,000	16,515	1
60636W-NU-5	MISSOURI ST HWYS & TRANS COMMN FED		09/16/2009	MERRILL LYNCH,PIERCE,FENN		125,000	125,000	0	1FE
649902-ZQ-9	NEW YORK ST DORM AUTH ST PERS ST		08/18/2009	MLPF&S Fixed Income Ops		150,000	150,000	0	1FE
79575D-XF-2	SALT RIVER PROJ ARIZ AGRIC IMP ELE		09/24/2009	MORGAN STANLEY&CO INC PRO		79,037	75,000	917	1FE
79765R-RG-6	SAN FRANCISCO CALIF CITY & CNT WTR		09/25/2009	BARCLAYS CAPITAL LE		86,307	80,000	167	1FE
882721-VR-1	TEXAS ST MOB		09/25/2009	MERRILL LYNCH,PIERCE,FENN		74,358	70,000	1,740	1FE
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						23,845,916	22,688,185	62,332	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
020002-AX-9	ALLSTATE CORP		07/07/2009	WACHOVIA SECURITIES CAPIT		65,617	60,000	708	1FE

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
.06051G-DY-2	BANK AMER FDG CORP		.09/02/2009	LINSCO/PRIVATE LEDGER COR		1,656,000	1,500,000	35,339	1FE
.06051G-DZ-9	BANK AMER FDG CORP		.09/02/2009	VARIOUS		3,610,925	3,395,000	44,876	1FE
.06051G-EA-3	BANK AMER FDG CORP		.07/23/2009	WACHOVIA SECURITIES CAPIT		274,310	275,000	0	1FE
.05565Q-BH-0	BP CAP MKTS P L C		.08/19/2009	MIZUHO SECURITIES USA INC		2,571,250	2,500,000	44,132	1FE
136385-AL-5	CANADIAN NAT RES LTD	I	.10/17/2009	LINSCO/PRIVATE LEDGER COR		1,067,290	1,000,000	1,215	2FE
140420-MV-9	CAPITAL ONE BK USA NATL ASSN		.07/16/2009	DEUTSCHE BANK SECURITIES		130,721	125,000	794	2FE
14040H-AS-4	CAPITAL ONE FINL CORP		.08/07/2009	VARIOUS		1,575,045	1,495,000	17,764	2FE
14170T-AA-9	CAREFUSION CORP		.07/14/2009	GOLDMAN, SACHS & CO		98,358	100,000	0	2FE
14170T-AE-1	CAREFUSION CORP SR NT 144A		.07/14/2009	DEUTSCHE BANK SECURITIES		49,487	50,000	0	2FE
17313Y-AL-5	CITIGROUP FDG INC GTD TLGP		.09/15/2009	SALOMON SMITH BARNEY INC/		448,389	450,000	0	1FE
172967-EM-9	CITIGROUP INC SR NT 6.125%17		.09/02/2009	SALOMON SMITH BARNEY INC/		645,280	675,000	12,288	1FE
20030N-AY-7	COMCAST CORP NEW		.08/28/2009	LINSCO/PRIVATE LEDGER COR		2,175,000	2,000,000	26,928	2FE
22546Q-AC-1	CREDIT SUISSE NEW YORK BRANCH		.09/11/2009	VARIOUS		458,939	450,000	1,336	1FE
126408-BL-6	CSX CORP		.07/16/2009	BANC AMERICA SECURITIES L		28,256	25,000	439	2FE
126408-GJ-6	CSX CORP		.07/30/2009	Morgan Stanley		124,585	125,000	1,808	1FE
24710X-AF-5	DELMARVA POWER & LIGHT MTNS BE		.09/17/2009	LINSCO/PRIVATE LEDGER COR		1,161,966	1,000,000	10,937	2FE
260543-BX-0	DOW CHEM CO		.09/16/2009	VARIOUS		1,592,944	1,500,000	29,521	2FE
260543-BY-8	DOW CHEM CO		.07/16/2009	BANC AMERICA SECURITIES L		636,888	600,000	10,653	2FE
26441C-AC-9	DUKE ENERGY CORP NEW		.08/25/2009	Credit Suisse First Bosto		99,939	100,000	0	2FE
29379V-AC-7	ENTERPRISE PRODS OPER LLC		.07/09/2009	VARIOUS		30,995	30,000	869	2FE
36967H-BB-2	GENL ELEC CAP CORP FDIC TLGP		.09/29/2009	MORGAN STANLEY&CO INC PRO		792,607	790,000	88	1FE
38141G-FW-1	GOLDMAN SACHS GROUP INC		.09/09/2009	DEUTSCHE BANK SECURITIES		47,521	45,000	1,253	1FE
38143U-AV-3	GOLDMAN SACHS GROUP INC		.09/02/2009	MIZUHO SECURITIES USA INC		1,417,500	1,500,000	3,554	1FE
38141E-A2-5	GOLDMAN SACHS GRP INC MTN BE		.09/09/2009	VARIOUS		378,065	335,000	6,306	1FE
45687A-AA-0	INGERSOLL-RAND GLOBAL HLDG CO		.07/08/2009	HSBC SECURITIES, INC		50,375	50,000	1,413	2FE
46625H-HL-7	JPMORGAN CHASE & CO		.07/15/2009	CHASE SECURITIES, INC		41,101	40,000	609	1FE
48526Q-BH-5	KANSAS GAS & ELEC CO 5.647% 3/29/		.07/17/2009	MORGAN KEEGAN & COMPANY I		924,178	935,876	16,589	2FE
50075N-AR-5	KRAFT FOODS INC		.09/17/2009	BANC AMERICA SECURITIES L		56,014	50,000	399	2FE
50075N-AS-3	KRAFT FOODS INC		.09/16/2009	CHASE SECURITIES, INC		54,490	50,000	361	2FE
505861-AB-0	LAFARGE S A 6.500% 7/15/		.08/11/2009	Chapdelaine & co		257,813	275,000	1,440	2FE
534187-AX-7	LINCOLN NATL CORP IND		.07/16/2009	VARIOUS		31,031	30,000	208	2FE
565849-AE-6	MARATHON OIL CORP		.08/25/2009	LINSCO/PRIVATE LEDGER COR		1,478,400	1,400,000	37,730	2FE
59156R-AT-5	METLIFE INC		.08/07/2009	VARIOUS		258,248	230,000	8,588	1FE
59156R-AU-2	METLIFE INC		.07/22/2009	UBS WARBURG		57,930	55,000	598	1FE
61747Y-CG-8	MORGAN STANLEY		.07/15/2009	DEUTSCHE BANK SECURITIES		106,915	100,000	1,359	1FE
61747Y-CJ-2	MORGAN STANLEY		.09/16/2009	MORGAN STANLEY&CO INC PRO		199,170	200,000	0	1FE
652482-BW-9	NEWS AMER INC SR NT 144A		.08/20/2009	CHASE SECURITIES, INC		205,010	200,000	0	2FE
666807-BA-9	NORTHROP GRUMMAN CORP		.07/27/2009	CHASE SECURITIES, INC		49,919	50,000	0	1FE
677347-CF-1	OHIO EDISON CO		.07/16/2009	CHASE SECURITIES, INC		92,079	75,000	1,650	2FE
74432Q-BG-9	PRUDENTIAL FINL INC MTNS BOOK		.07/16/2009	VARIOUS		29,684	30,000	261	2FE
767201-AF-3	RIO TINTO FIN USA LTD		.08/12/2009	Wall Street Access		1,145,000	1,000,000	29,833	2FE
779382-AK-6	ROWAN COMPANIES INC 7.875% 8/01/		.07/15/2009	Barclays Capital		24,835	25,000	0	2FE
88732J-AS-7	TIME WARNER CABLE INC		.09/11/2009	VARIOUS		295,410	245,000	8,163	2FE
887317-AC-9	TIME WARNER INC		.07/06/2009	VARIOUS		49,757	50,000	435	2FE
87254Q-AN-9	TJX COS INC NEW		.07/20/2009	CHASE SECURITIES, INC		221,982	222,000	0	1FE
91020Q-AB-3	UNITED ENERGY DISTR PTY LTD		.07/28/2009	MORGAN KEEGAN & COMPANY I		939,000	1,000,000	16,047	2FE
913017-BP-3	UNITED TECHNOLOGIES CORP		.08/27/2009	LINSCO/PRIVATE LEDGER COR		1,687,500	1,500,000	11,740	1FE
931142-CJ-0	WAL MART STORES INC		.08/12/2009	Wall Street Access		2,194,880	2,000,000	644	1FE
94973V-AR-8	WELLPOINT INC		.08/04/2009	Credit Suisse First Bosto		134,830	125,000	4,424	2FE
15135U-AC-3	CENOVUS ENERGY INC		.09/15/2009	Barclays Capital		199,866	200,000	0	2FE
15135U-AA-7	CENOVUS ENERGY INC SR NT 144A 14		.09/15/2009	Barclays Capital		174,830	175,000	0	2FE
13645R-AJ-3	CANADIAN PAC RY CO NEW	I	.07/06/2009	CHASE SECURITIES, INC		23,348	22,000	239	1FE
75405U-AF-3	RAS LAFFAN LIQUEFIED NAT GAS	I	.07/16/2009	SALOMON SMITH BARNEY INC/		269,371	270,000	0	1FE
3899999	- Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)					32,390,843	30,729,876	393,538	XXX
8399997	- Subtotals- Bonds - Part 3					338,446,454	332,173,061	1,305,742	XXX
8399999	- Subtotals - Bonds					338,446,454	332,173,061	1,305,742	XXX
Common Stocks - Mutual Funds									
.922908-88-4	VANGUARD INDEX FDS		.07/10/2009	JONES TRADING INSTITUTAL	403,714.170	10,000,000		0	L
.921909-80-0	VANGUARD STAR FD		.07/10/2009	Vanguard Group	1,456,953.642	11,000,000		0	L
9299999	- Total - Common Stocks - Mutual Funds					21,000,000	XXX	0	XXX

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STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S.	Governments																				
31344A-ZY-3.	FED HOME LN MTG		07/17/2009.	GOLDMAN, SACHS & CO.		376,583	350,000	349,433	349,450	0	33	0	33	0	349,482	0	27,100	27,100	11,404	06/27/2016.	1
31398A-DM-1.	FEDERAL NATL MTG ASSN.		09/02/2009.	LINSCO/PRIVATE LEDGER COR.		16,858,350	15,000,000	16,682,550	0	0	(4,135)	0	(4,135)	0	16,678,415	0	179,935	179,935	181,406	06/12/2017.	1
36225E-BM-3.	GNMA PASS-THRU M ADJ HYBRID		09/20/2009.	PRINCIPAL RECEIPT.		24,122	24,122	23,285	23,300	0	822	0	822	0	24,122	0	0	0	643	02/20/2037.	1
36202E-E9-6.	GNMA PASS-THRU M SINGLE FAMILY		09/20/2009.	PRINCIPAL RECEIPT.		1,001	1,001	1,019	1,019	0	(18)	0	(18)	0	1,001	0	0	0	37	09/20/2035.	1
36202E-QZ-5.	GNMA PASS-THRU X SINGLE FAMILY		09/20/2009.	PRINCIPAL RECEIPT.		33,648	33,648	33,522	33,523	0	126	0	126	0	33,648	0	0	0	1,218	01/20/2038.	1
36295N-A6-4.	GNMA PASS-THRU M SINGLE FAMILY		09/15/2009.	PRINCIPAL RECEIPT.		61,779	61,779	62,088	62,090	0	(311)	0	(311)	0	61,779	0	0	0	2,318	02/15/2038.	1
36225A-4V-9.	GNMA POOL #780836 8.25% 4/15/		09/15/2009.	PRINCIPAL RECEIPT.		6,453	6,453	6,855	6,742	0	(289)	0	(289)	0	6,453	0	0	0	365	04/15/2020.	1
83162C-EV-1.	SMALL BUS ADMIN GTD DEV 93-201		09/01/2009.	PRINCIPAL RECEIPT.		31,147	31,147	33,172	32,244	0	(1,096)	0	(1,096)	0	31,147	0	0	0	1,838	09/01/2013.	1
83162C-LT-8.	SMALL BUS ADMIN GTD DEV PTC.		09/01/2009.	Merrill Lynch.		39,984	39,984	42,683	42,155	0	(2,171)	0	(2,171)	0	39,984	0	0	0	2,494	09/01/2021.	1
88059F-AA-9.	Coupon		07/31/2009.	MORGAN KEEGAN & COMPANY I.		3,561,432	3,944,000	3,561,432	3,569,970	0	6,239	0	6,239	0	3,576,208	0	(14,776)	(14,776)	185,368	04/15/2042.	1
912810-EL-8.	UNITED STATES TREAS BDS.		08/19/2009.	GREENWICH CAPITAL MKTS. I.		509,029	365,000	492,294	0	0	(1,598)	0	(1,598)	0	490,696	0	18,333	18,333	7,697	11/15/2021.	1
912810-EP-9.	UNITED STATES TREAS BDS.		08/19/2009.	VARIOUS.		832,584	630,000	854,007	0	0	(6,610)	0	(6,610)	0	847,397	0	(14,812)	(14,812)	45,497	02/15/2023.	1
912810-FT-0.	UNITED STATES TREAS BDS.		08/20/2009.	BOENNING & SCATTERGOOD IN.		7,281,914	7,000,000	7,418,906	0	0	(2,663)	0	(2,663)	0	7,416,243	0	(134,329)	(134,329)	166,060	02/15/2036.	1
912810-PU-6.	UNITED STATES TREAS BDS.		07/09/2009.	CREDIT SUISSE FIRST BOSTO.		5,616	5,000	5,345	5,343	0	(3)	0	(3)	0	5,340	0	276	276	59	05/15/2037.	1
912810-PW-2.	UNITED STATES TREAS BDS.		07/09/2009.	HSBC SECURITIES, INC.		15,286	15,000	16,054	16,051	0	(10)	0	(10)	0	16,041	0	(755)	(755)	591	02/15/2038.	1
912810-PX-0.	UNITED STATES TREAS BDS.		08/19/2009.	VARIOUS.		226,423	220,000	235,497	0	0	(81)	0	(81)	0	235,416	0	(8,994)	(8,994)	6,516	05/15/2038.	1
912810-QA-9.	UNITED STATES TREAS BDS.		08/18/2009.	VARIOUS.		212,007	250,000	209,705	0	0	87	0	87	0	209,792	0	2,215	2,215	3,920	02/15/2039.	1
912810-QC-5.	UNITED STATES TREAS BDS.		09/10/2009.	VARIOUS.		36,736,836	35,000,000	36,487,500	0	0	(50)	0	(50)	0	36,487,450	0	269,386	269,386	105,163	08/15/2039.	1
912828-CJ-7.	UNITED STATES TREAS NTS.		09/01/2009.	BOENNING & SCATTERGOOD IN.		5,567,383	5,000,000	5,512,695	0	0	(10,918)	0	(10,918)	0	5,501,777	0	65,605	65,605	70,992	05/15/2014.	1
912828-CV-0.	UNITED STATES TREAS NTS.		09/15/2009.	MATURITY.		12,250,000	12,250,000	12,481,831	0	0	(231,831)	0	(231,831)	0	12,250,000	0	0	0	379,688	09/15/2009.	1
912828-JH-4.	UNITED STATES TREAS NTS.		09/11/2009.	VARIOUS.		1,948,437	1,910,000	2,089,483	1,661,714	0	(9,013)	0	(9,013)	0	2,079,229	0	(130,792)	(130,792)	68,175	08/15/2018.	1
912828-JR-2.	UNITED STATES TREAS NTS.		07/23/2009.	MORGAN STANLEY&CO INC PRO.		236,633	235,000	261,878	0	0	(1,309)	0	(1,309)	0	260,569	0	(23,936)	(23,936)	6,178	11/15/2018.	1
912828-KD-1.	UNITED STATES TREAS NTS.		09/29/2009.	VARIOUS.		16,363,951	17,185,000	16,475,632	0	0	1,902	0	1,902	0	16,477,534	0	(113,583)	(113,583)	207,023	02/15/2019.	1
912828-KQ-2.	UNITED STATES TREAS NTS.		08/20/2009.	VARIOUS.		20,082,810	20,530,000	19,789,958	0	0	1,798	0	1,798	0	19,791,756	0	291,053	291,053	116,691	05/15/2019.	1
912828-KW-9.	UNITED STATES TREAS NTS.		07/10/2009.	WHEAT FIRST-1ST CLEARING.		14,324,297	14,000,000	14,308,438	0	0	(220)	0	(220)	0	14,308,217	0	16,079	16,079	53,456	05/31/2016.	1
912828-KX-7.	UNITED STATES TREAS NTS.		07/09/2009.	BOENNING & SCATTERGOOD IN.		14,179,922	14,000,000	14,181,563	0	0	(330)	0	(330)	0	14,181,233	0	(1,311)	(1,311)	17,930	06/15/2012.	1
912828-KY-5.	UNITED STATES TREAS NTS.		09/18/2009.	VARIOUS.		24,128,755	23,750,000	23,989,434	0	0	(1,592)	0	(1,592)	0	23,987,842	0	140,913	140,913	49,722	06/30/2014.	1
912828-KZ-2.	UNITED STATES TREAS NTS.		08/20/2009.	VARIOUS.		19,759,461	19,425,000	19,556,928	0	0	(102)	0	(102)	0	19,556,826	0	202,635	202,635	37,760	06/30/2016.	1
912828-LC-2.	UNITED STATES TREAS NTS.		09/18/2009.	VARIOUS.		1,784,111	1,760,000	1,766,744	0	0	(96)	0	(96)	0	1,766,647	0	17,464	17,464	5,412	07/31/2014.	1
912828-LF-5.	UNITED STATES TREAS NTS.		09/01/2009.	VARIOUS.		30,124,062	30,000,000	30,113,750	0	0	(2,215)	0	(2,215)	0	30,111,535	0	12,528	12,528	35,584	06/30/2011.	1
912828-LJ-7.	UNITED STATES TREAS NTS.		09/29/2009.	VARIOUS.		1,199,308	1,170,000	1,189,010	0	0	(116)	0	(116)	0	1,188,894	0	10,414	10,414	3,839	08/15/2019.	1
912828-LL-2.	UNITED STATES TREAS NTS.		09/11/2009.	VARIOUS.		280,502	280,000	279,717	0	0	0	0	0	0	279,717	0	785	785	251	08/31/2016.	1
83162C-KM-4.	US SMALL BUS ADMIN GTD DB00-20A		07/01/2009.	PRINCIPAL RECEIPT.		20,311	20,311	20,311	20,311	0	0	0	0	0	20,311	0	0	0	1,558	01/01/2020.	1
912810-EQ-7.	US TREASURY 6.25%		08/19/2009.	CHASE SECURITIES, INC.		172,456	140,000	178,166	0	0	(1,079)	0	(1,079)	0	177,087	0	(4,632)	(4,632)	8,869	08/15/2023.	1
0399999 - Totals - Bonds - U.S. Governments						229,256,593	224,632,445	228,710,885	5,823,912	0	(266,849)	0	(266,849)	0	228,449,788	0	806,801	806,801	1,785,722	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
231266-FD-4.	CURATORS UNIV MO SYS FACS REV SYS		09/16/2009.	DEPFA FIRST ALBANY SECURI.		134,270	125,000	125,000	0	0	0	0	0	0	125,000	0	9,270	9,270	1,200	11/01/2039.	1FE
31403D-DB-2.	FEDERAL NATL MTG AS 6.000% 6/01/		09/25/2009.	PRINCIPAL RECEIPT.		63,327	63,327	63,945	63,909	0	(583)	0	(583)	0	63,327	0	0	0	2,490	06/01/2035.	1
3128KC-QJ-9.	FHLMC GOLD #A50457 6.000% 7/01/		09/15/2009.	PRINCIPAL RECEIPT.		28,413	28,413	27,840	27,848	0	565	0	565	0	28,413	0	0	0	1,122	07/01/2036.	1
31292H-GP-3.	FHLMC GOLD POOL #C01106.		09/15/2009.	PRINCIPAL RECEIPT.		2,090	2,090	2,115	2,114	0	(24)	0	(24)	0	2,090	0	0	0	102	12/01/2030.	1
31283K-F7-8.	FHLMC GOLD POOL #G11090.		09/15/2009.	PRINCIPAL RECEIPT.		23,998	23,998	24,879	24,476	0	(478)	0	(478)	0	23,998	0	0	0	947	02/01/2015.	1
3128JM-BB-2.	FHLMC PC 1YR		09/15/2009.	PRINCIPAL RECEIPT.		235,436	235,436	229,182	229,223	0	6,213	0	6,213	0	235,436	0	0	0	6,831	08/01/2034.	1
3128MT-6K-9.	FHLMC PC GOLD 10/20 I.		09/15/2009.	PRINCIPAL RECEIPT.		54,817	54,817	55,528	55,519	0	(702)	0	(702)	0	54,817	0	0	0	2,427	09/01/2037.	1
3128UN-CE-0.	FHLMC PC GOLD 10/20 I.		09/15/2009.	PRINCIPAL RECEIPT.		57,583	57,583	58,420	58,417	0	(834)	0	(834)	0	57,583	0	0	0	2,517	09/01/2037.	1
31294L-PZ-0.	FHLMC PC GOLD CASH 15.		09/15/2009.	PRINCIPAL RECEIPT.		211,535	211,535	215,072	214,582	0	(3,047)	0	(3,047)	0	211,535	0	0	0	7,947	12/01/2016.	1
31288B-6V-0.	FHLMC PC GOLD CASH 30.		09/15/2009.	PRINCIPAL RECEIPT.		11,074	11,074	11,230	11,227	0	(153)	0	(153)	0	11,074	0	0	0	445	11/01/2032.	1

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
3128MB-EG-8...	FHLMC PC COMB 15... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		146,174	146,174	146,740	146,692	0	(517)	0	(517)	0	146,174	0	0	0	5,272	03/01/2022...	1...
312964-TT-6...	FHLMC PC COMB 15... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		47,342	47,342	47,549	47,507	0	(165)	0	(165)	0	47,342	0	0	0	1,786	02/01/2019...	1...
31263H-6C-4...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		207,990	207,990	211,987	211,935	0	(3,945)	0	(3,945)	0	207,990	0	0	0	8,894	12/01/2032...	1...
31263H-6D-2...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		97,041	97,041	99,202	99,149	0	(2,108)	0	(2,108)	0	97,041	0	0	0	4,121	12/01/2031...	1...
3128KT-L3-2...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		34,254	34,254	34,634	34,634	0	(381)	0	(381)	0	34,254	0	0	0	1,313	07/01/2037...	1...
3128M5-HJ-2...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		32,682	32,682	32,999	32,999	0	(317)	0	(317)	0	32,682	0	0	0	1,271	06/01/2036...	1...
3128M6-EF-1...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		17,771	17,771	16,862	16,864	0	907	0	907	0	17,771	0	0	0	578	04/01/2038...	1...
3128M6-RL-4...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		33,553	33,553	31,959	31,956	0	1,596	0	1,596	0	33,553	0	0	0	1,078	06/01/2038...	1...
312929-CN-0...	FHLMC PC COMB 30... GOLD		09/15/2009...	PRINCIPAL RECEIPT.....		19,590	19,590	19,110	19,106	0	485	0	485	0	19,590	0	0	0	689	11/01/2038...	1...
31297H-FF-1...	FHLMC PC COMB 30... GUAR ADJ		09/15/2009...	PRINCIPAL RECEIPT.....		201,094	201,094	203,576	203,592	0	(2,498)	0	(2,498)	0	201,094	0	0	0	7,599	12/01/2034...	1...
31349S-C9-2...	FHLMC PC 30YR... 11 HYBRD		09/15/2009...	PRINCIPAL RECEIPT.....		108,643	108,643	105,108	105,107	0	3,536	0	3,536	0	108,643	0	0	0	3,073	10/01/2033...	1...
3128NC-LA-0...	ARM... FHLMC PC 11 HYBRD		09/15/2009...	PRINCIPAL RECEIPT.....		83,400	83,400	82,165	82,171	0	1,229	0	1,229	0	83,400	0	0	0	2,689	09/01/2035...	1...
3128NH-VA-8...	ARM...		09/15/2009...	PRINCIPAL RECEIPT.....		306,215	306,215	313,249	313,396	0	(7,181)	0	(7,181)	0	306,215	0	0	0	12,102	11/01/2036...	1...
31290K-VZ-9...	FHLMC POOL #555132...		09/15/2009...	PRINCIPAL RECEIPT.....		771	771	786	786	0	(15)	0	(15)	0	771	0	0	0	41	07/01/2020...	1...
31340M-UW-3...	FHLMC POOL# 181497...		09/15/2009...	PRINCIPAL RECEIPT.....		499	499	497	495	0	4	0	4	0	499	0	0	0	23	12/01/2009...	1...
313316-SS-6...	FHLMC REMIC 1832 F 6.5%...		09/15/2009...	PRINCIPAL RECEIPT.....		90,542	90,542	89,364	90,790	0	(248)	0	(248)	0	90,542	0	0	0	3,913	03/15/2011...	1...
31395F-PF-6...	FHLMC REMIC SERIES 2858...		07/14/2009...	UBS PAINE WEBBER INC.		6,814,452	6,900,711	6,158,885	6,176,911	0	31,673	0	31,673	0	6,208,585	0	605,868	605,868	194,945	11/15/2031...	1...
31397F-TC-6...	FHLMC REMIC SERIES 3293...		07/15/2009...	UBS PAINE WEBBER INC.		6,013,875	5,800,000	5,765,563	5,768,901	0	1,359	0	1,359	0	5,770,260	0	243,615	243,615	202,919	08/15/2033...	1...
31397P-5M-8...	FHLMC REMIC SERIES 3389...		09/15/2009...	PRINCIPAL RECEIPT.....		497,081	497,081	502,052	501,910	0	(4,829)	0	(4,829)	0	497,081	0	0	0	19,999	12/15/2035...	1...
31392W-7B-0...	FHLMC REMIC SERIES 1-051...		09/25/2009...	PRINCIPAL RECEIPT.....		12,821	12,821	13,013	15,131	0	(2,309)	0	(2,309)	0	12,821	0	0	0	570	09/25/2043...	1...
31392M-EM-0...	FHLMC REMIC SERIES 10041...		09/25/2009...	PRINCIPAL RECEIPT.....		8,451	8,451	8,779	8,779	0	8	0	8	0	8,451	0	0	0	404	07/25/2032...	1...
31359S-R6-9...	FNMA GR TR SERIES 2001-T4 C1 A		09/25/2009...	PRINCIPAL RECEIPT.....		9,804	9,804	10,114	9,906	0	(102)	0	(102)	0	9,804	0	0	0	486	07/25/2028...	1...
31392F-DC-8...	T16... FNMA GRANTOR TRUST 2002-		09/25/2009...	PRINCIPAL RECEIPT.....		74,595	74,595	76,459	76,455	0	(1,860)	0	(1,860)	0	74,595	0	0	0	3,476	07/25/2042...	1...
31409U-WM-3...	LIBOR... FNMA PASS-THRU ADJ		09/25/2009...	PRINCIPAL RECEIPT.....		57,842	57,842	58,334	58,337	0	(496)	0	(496)	0	57,842	0	0	0	2,049	11/01/2035...	1...
31410R-M3-0...	LIBOR... FNMA PASS-THRU ADJ		09/25/2009...	VARIOUS.....		762,206	720,839	760,936	0	0	(2,427)	0	(2,427)	0	758,509	0	3,696	3,696	10,543	08/01/2036...	1...
31411N-P5-0...	LIBOR... FNMA PASS-THRU GNM-BK		09/25/2009...	PRINCIPAL RECEIPT.....		27,080	27,080	27,029	27,028	0	51	0	51	0	27,080	0	0	0	1,000	02/01/2037...	1...
31381D-YY-5...	MGA 30... FNMA PASS-THRU GOV		09/25/2009...	PRINCIPAL RECEIPT.....		1,393	1,393	1,411	1,409	0	(15)	0	(15)	0	1,393	0	0	0	68	05/20/2023...	1...
31405F-D5-8...	SINGLE FAM... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		719	719	758	757	0	(38)	0	(38)	0	719	0	0	0	34	10/01/2032...	1...
31385W-ST-2...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		178,758	178,758	182,025	181,573	0	(2,816)	0	(2,816)	0	178,758	0	0	0	6,872	12/01/2017...	1...
31391C-5F-8...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		10,027	10,027	10,009	10,007	0	20	0	20	0	10,027	0	0	0	369	09/01/2017...	1...
31391U-4Q-5...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		704	704	703	703	0	1	0	1	0	704	0	0	0	25	02/01/2018...	1...
31402C-RT-1...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		275,084	275,084	276,804	276,525	0	(1,440)	0	(1,440)	0	275,084	0	0	0	10,274	12/01/2018...	1...
31402R-D2-2...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		10,280	10,280	10,254	10,253	0	27	0	27	0	10,280	0	0	0	375	03/01/2020...	1...
31403C-ZZ-3...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		6,507	6,507	6,485	6,485	0	22	0	22	0	6,507	0	0	0	238	06/01/2020...	1...
31403D-DK-2...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		236,801	236,801	241,093	240,777	0	(3,976)	0	(3,976)	0	236,801	0	0	0	9,441	03/01/2021...	1...
31403R-KJ-6...	YEAR... FNMA PASS-THRU INT 15		09/25/2009...	PRINCIPAL RECEIPT.....		2,139	2,139	2,134	2,134	0	5	0	5	0	2,139	0	0	0	77	11/01/2018...	1...
31410G-5Q-2...	YEAR...		09/25/2009...	PRINCIPAL RECEIPT.....		29,223	29,223	30,156	0	0	(933)	0	(933)	0	29,223	0	0	0	833	03/01/2023...	1...

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
31410U-S2-9..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		202,143	202,143	205,152	204,962	0	(2,819)	0	(2,819)	0	202,143	0	0	0	8,154	08/01/2021..	1..
31411A-JN-6..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		262,615	262,615	266,801	266,635	0	(4,019)	0	(4,019)	0	262,615	0	0	0	10,117	11/01/2021..	1..
31413J-CZ-5..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		33,617	33,617	34,861	0	0	(1,245)	0	(1,245)	0	33,617	0	0	0	153	09/01/2022..	1..
31414K-TE-0..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		46,303	46,303	46,196	46,197	0	106	0	106	0	46,303	0	0	0	1,555	01/01/2023..	1..
31414U-AQ-1..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		3,588	3,588	3,579	3,579	0	8	0	8	0	3,588	0	0	0	113	06/01/2023..	1..
31414X-ZC-9..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		28,362	28,362	27,635	27,640	0	722	0	722	0	28,362	0	0	0	922	06/01/2023..	1..
31415P-WM-6..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		26,858	26,858	26,757	26,757	0	101	0	101	0	26,858	0	0	0	961	07/01/2023..	1..
31416B-QK-7..	FNMA PASS-THRU INT 15 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		16,791	16,791	17,064	17,065	0	(274)	0	(274)	0	16,791	0	0	0	498	12/01/2020..	1..
31368H-LZ-4..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		308,386	308,386	325,732	0	0	(17,347)	0	(17,347)	0	308,386	0	0	0	2,935	12/01/2033..	1..
31371K-ZZ-3..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		33,438	33,438	33,290	33,291	0	147	0	147	0	33,438	0	0	0	1,180	03/01/2033..	1..
31371N-H4-0..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		137,586	137,586	144,175	144,183	0	(6,597)	0	(6,597)	0	137,586	0	0	0	6,525	08/01/2037..	1..
31376K-TT-3..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		43,864	43,864	43,843	43,845	0	19	0	19	0	43,864	0	0	0	1,546	09/01/2035..	1..
31402Q-WA-5..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		49,185	49,185	47,902	47,910	0	1,275	0	1,275	0	49,185	0	0	0	1,759	01/01/2035..	1..
31402R-AQ-2..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		77,318	77,318	79,402	79,371	0	(2,053)	0	(2,053)	0	77,318	0	0	0	3,303	12/01/2032..	1..
31402R-AS-8..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		67,468	67,468	69,392	69,407	0	(1,939)	0	(1,939)	0	67,468	0	0	0	2,890	03/01/2035..	1..
31402R-H2-8..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		36,147	36,147	36,483	36,474	0	(327)	0	(327)	0	36,147	0	0	0	1,397	12/01/2032..	1..
31403C-6L-0..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		67,552	67,552	69,175	69,183	0	(1,631)	0	(1,631)	0	67,552	0	0	0	2,200	02/01/2036..	1..
31405X-C6-8..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		3,742	3,742	3,732	3,732	0	11	0	11	0	3,742	0	0	0	134	11/01/2034..	1..
31408H-3H-6..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		62,346	62,346	61,674	61,675	0	671	0	671	0	62,346	0	0	0	2,498	02/01/2036..	1..
31410F-2Q-7..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		5,661	5,661	5,647	5,647	0	14	0	14	0	5,661	0	0	0	183	08/01/2034..	1..
31410F-5D-3..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		76,025	76,025	73,524	73,533	0	2,492	0	2,492	0	76,025	0	0	0	2,491	10/01/2035..	1..
31410F-T6-2..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		9,998	9,998	9,936	9,936	0	62	0	62	0	9,998	0	0	0	357	02/01/2035..	1..
31410G-KA-0..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		33,185	33,185	32,094	32,097	0	1,088	0	1,088	0	33,185	0	0	0	1,081	12/01/2036..	1..
31410K-NH-3..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		26,800	26,800	26,289	26,291	0	509	0	509	0	26,800	0	0	0	962	05/01/2038..	1..
31410Q-NP-2..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		29,868	29,868	30,661	30,665	0	(797)	0	(797)	0	29,868	0	0	0	1,209	10/01/2036..	1..
31413U-TP-4..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		14,409	14,409	14,760	14,761	0	(352)	0	(352)	0	14,409	0	0	0	560	12/01/2037..	1..
31414H-KB-2..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		28,388	28,388	29,098	29,102	0	(714)	0	(714)	0	28,388	0	0	0	1,085	01/01/2038..	1..
31414R-NH-4..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		12,043	12,043	11,720	11,721	0	322	0	322	0	12,043	0	0	0	452	03/01/2038..	1..
31415C-LL-9..	FNMA PASS-THRU LNG 30 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		20,115	20,115	19,576	19,577	0	538	0	538	0	20,115	0	0	0	649	05/01/2038..	1..
31416B-XR-4..	FNMA PASS-THRU LNG 10 YEAR		09/25/2009..	PRINCIPAL RECEIPT.....		172,640	172,640	178,723	0	0	(6,083)	0	(6,083)	0	172,640	0	0	0	4,658	08/01/2037..	1..
31371N-LS-2..	7-10YR FNMA PASS-THRU LNG 10		09/25/2009..	PRINCIPAL RECEIPT.....		159,045	159,045	161,953	162,040	0	(2,995)	0	(2,995)	0	159,045	0	0	0	6,981	10/01/2037..	1..
31413Q-PD-4..	7-10YR FNMA PASS-THRU LNG 10		09/25/2009..	PRINCIPAL RECEIPT.....		193,138	193,138	198,751	198,892	0	(5,754)	0	(5,754)	0	193,138	0	0	0	8,383	10/01/2037..	1..
31418W-CG-5..	7-10YR		09/25/2009..	PRINCIPAL RECEIPT.....		62,978	62,978	67,190	0	0	(4,212)	0	(4,212)	0	62,978	0	0	0	341	12/01/2037..	1..

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31385J-HW-1...	FNMA PASS-THRU MEGA MULTI 7...		09/25/2009	PRINCIPAL RECEIPT		.809	.809	.837	.826	.0	(17)	.0	(17)	.0	.809	.0	.0	.0	.33	07/01/2012	1
31385X-HZ-3...	FNMA PASS-THRU MEGA MULTI 7...		09/25/2009	PRINCIPAL RECEIPT		5.650	5.650	5.492	5.517	.0	133	.0	133	.0	5.650	.0	.0	.0	.173	06/01/2013	1
31402C-5S-7...	FNMA PASS-THRU MEGA MULTI 7...		09/25/2009	PRINCIPAL RECEIPT		1.579	1.579	1.525	1.538	.0	.41	.0	.41	.0	1.579	.0	.0	.0	.49	04/01/2014	1
31403D-GP-8...	FNMA PASS-THRU MEGA MULTI 7...		09/25/2009	PRINCIPAL RECEIPT		2.972	2.972	3.083	3.078	.0	(106)	.0	(106)	.0	2.972	.0	.0	.0	.113	02/01/2016	1
31402D-FV-7...	FNMA PASS-THRU INT 15 YEAR 725680		09/25/2009	PRINCIPAL RECEIPT		74.945	74.945	78.780	77.761	.0	(2,815)	.0	(2,815)	.0	74.945	.0	.0	.0	3.267	07/01/2017	1
31378H-UH-2...	FNMA PASSTHRU POOL # 399384		09/25/2009	PRINCIPAL RECEIPT		18.699	18.699	19.131	18.848	.0	(149)	.0	(149)	.0	18.699	.0	.0	.0	.930	09/01/2012	1
31371K-T9-2...	FNMA POOL #254476 5.5%		09/25/2009	PRINCIPAL RECEIPT		49.536	49.536	49.691	49.669	.0	(133)	.0	(133)	.0	49.536	.0	.0	.0	1.720	09/01/2032	1
31384V-ML-3...	FNMA POOL #535063 6.50%		09/25/2009	PRINCIPAL RECEIPT		20.993	20.993	21.656	21.349	.0	(356)	.0	(356)	.0	20.993	.0	.0	.0	.904	12/01/2014	1
31385W-UE-7...	FNMA POOL #555081 6.329%		09/25/2009	PRINCIPAL RECEIPT		5.915	5.915	6.477	6.126	.0	(211)	.0	(211)	.0	5.915	.0	.0	.0	.257	03/01/2012	1
31387D-3Q-0...	FNMA POOL #581407		09/25/2009	PRINCIPAL RECEIPT		1.486	1.486	1.512	1.511	.0	(24)	.0	(24)	.0	1.486	.0	.0	.0	.69	06/01/2031	1
31405P-LQ-1...	FNMA POOL #795135																				
31405P-LQ-1...	4.602% 10/01/ FNMA POOL #888079		09/25/2009	PRINCIPAL RECEIPT		33.559	33.559	32.750	32.760	.0	.799	.0	.799	.0	33.559	.0	.0	.0	1.047	10/01/2034	1
31410F-JC-7...	6.500% 10/01/ FNMA POOL #888956		09/25/2009	PRINCIPAL RECEIPT		128.859	128.859	131.784	131.608	.0	(2,749)	.0	(2,749)	.0	128.859	.0	.0	.0	5.525	10/01/2026	1
31410G-TM-5...	6.000% 3/01/ FNMA POOL #889659		09/25/2009	PRINCIPAL RECEIPT		172.511	172.511	175.759	175.728	.0	(3,217)	.0	(3,217)	.0	172.511	.0	.0	.0	6.763	03/01/2036	1
31410K-MG-6...	5.000% 12/01/ FNMA POOL #889886		09/25/2009	PRINCIPAL RECEIPT		52.665	52.665	50.694	50.706	.0	1,959	.0	1,959	.0	52.665	.0	.0	.0	1.715	12/01/2036	1
31410K-UK-8...	7.000% 12/01/ FNMA POOL #995752		09/25/2009	PRINCIPAL RECEIPT		141.369	141.369	147.996	148.006	.0	(6,637)	.0	(6,637)	.0	141.369	.0	.0	.0	8.405	12/01/2037	1
31416C-EZ-5...	4.500% 5/01/ FNMA POOL #323165 6.0%		09/25/2009	PRINCIPAL RECEIPT		13.214	13.214	13.443	.0	.0	(229)	.0	(229)	.0	13.214	.0	.0	.0	149	05/01/2039	1
31374S-6A-4...	FNMA POOL #323623 6.0%		09/25/2009	PRINCIPAL RECEIPT		6.337	6.337	6.620	6.471	.0	(133)	.0	(133)	.0	6.337	.0	.0	.0	.254	06/01/2013	1
31374T-PG-8...	FNMA POOL #585013		09/25/2009	PRINCIPAL RECEIPT		16.571	16.571	17.050	16.812	.0	(241)	.0	(241)	.0	16.571	.0	.0	.0	.654	03/01/2014	1
31387H-3W-8...	FNMA REMIC					2.469	2.469	2.570	2.510	.0	(41)	.0	(41)	.0	2.469	.0	.0	.0	.107	06/01/2014	1
31394U-ZK-1...	6.000% 10/25/ FNMA REMIC TRUST		09/25/2009	PRINCIPAL RECEIPT		24.296	24.296	24.757	24.645	.0	(349)	.0	(349)	.0	24.296	.0	.0	.0	.973	10/25/2032	1
31392D-P9-7...	FNMA REMIC TRUST 2002-W10		09/25/2009	PRINCIPAL RECEIPT		14.777	14.777	15.502	14.863	.0	(86)	.0	(86)	.0	14.777	.0	.0	.0	.684	06/25/2042	1
31392E-S8-4...	FNMA REMIC TRUST 2002-W6		09/25/2009	PRINCIPAL RECEIPT		38.070	38.070	38.022	38.024	.0	.46	.0	.46	.0	38.070	.0	.0	.0	1.467	08/25/2042	1
31392D-H7-0...	FNMA REMIC TRUST 2006-59		09/25/2009	PRINCIPAL RECEIPT		22.975	22.975	25.201	23.848	.0	(873)	.0	(873)	.0	22.975	.0	.0	.0	1.156	06/25/2042	1
31395N-U4-0...	FNMA REMIC TRUST 2006-W1		09/25/2009	PRINCIPAL RECEIPT		341.878	341.878	343.588	343.938	.0	(2,059)	.0	(2,059)	.0	341.878	.0	.0	.0	12.519	02/25/2029	1
31395B-5P-4...	FNMA REMIC TRUST 2008-40		09/25/2009	PRINCIPAL RECEIPT		5.387.820	5.755.133	5.488.958	5.477.808	.0	(3,140)	.0	(3,140)	.0	5.474.667	.0	(86.847)	(86.847)	23.671	02/25/2046	1
31397L-NJ-4...	GNMA REMIC TRUST 2007-27		09/20/2009	PRINCIPAL RECEIPT		270.231	270.231	275.425	274.951	.0	(4,719)	.0	(4,719)	.0	270.231	.0	.0	.0	10.832	03/25/2031	1
38375J-M9-3...	GNMA REMIC TRUST 2007-80		08/27/2009	VARIOUS		108.775	108.775	108.979	108.930	.0	(155)	.0	(155)	.0	108.775	.0	.0	.0	3.633	09/20/2036	1
38374D-GW-3...	SALT RIVER PROJ ARIZ					5.438.262	5.397.671	5.453.513	5.449.737	.0	(6.595)	.0	(6.595)	.0	5.443.141	.0	(4.879)	(4.879)	220.559	07/16/2037	1
79575D-XF-2...	AGRIC IMP ELE		09/25/2009	Suntrust Capital		.80.223	.75.000	.79.037	.0	.0	.0	.0	.0	.0	.79.037	.0	1.186	1.186	.927	01/01/2038	1FE
78442G-SC-1...	SLM STUDENT LOAN TR 2006-		09/21/2009	CREDIT SUISSE FIRST BOSTO		1.180.875	1.200.000	1.194.094	1.195.991	.0	(1,094)	.0	(1,094)	.0	1.194.897	.0	(14.022)	(14.022)	19.428	07/25/2019	1FE
78443X-AB-4...	SLM STUDENT LOAN TR 2007-		09/21/2009	CREDIT SUISSE FIRST BOSTO		2.167.000	2.200.000	2.200.000	2.200.000	.0	.0	.0	.0	.0	2.200.000	.0	(33.000)	(33.000)	33.994	07/25/2017	1FE
78444G-AA-2...	SLM STUDENT LOAN TR 2008-		09/30/2009	VARIOUS		1.753.386	1.750.292	1.723.727	1.725.726	.0	4.470	.0	4.470	.0	1.730.196	.0	23.189	23.189	34.951	01/25/2014	1FE
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						37,210,254	37,402,533	36,532,414	34,923,592	0	(76,489)	0	(76,489)	0	36,462,177	0	748,076	748,076	1,020,627	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
500472-AB-1...	KONINKLIJKE PHILIPS ELECTRS NV	F	07/02/2009	BOENNING & SCATTERGOOD IN		4,042,600	4,000,000	3,931,360	3,934,135	.0	2,753	.0	2,753	.0	3,936,888	.0	105,712	105,712	189,750	03/11/2018	1FE
00404E-AM-9...	ACE INA HLDG INC.		09/29/2009	WACHOVIA SECURITIES CAPIT		81.956	75.000	74.285	.0	.16	.0	.0	.16	.0	74.301	.0	7.656	7.656	1.377	06/15/2019	1FE
020002-AV-3...	ALLSTATE CORP		08/06/2009	DEUTSCHE BANK SECURITIES		160.000	200.000	199.658	199.871	.0	.0	.0	.0	.0	199.871	.0	(39.871)	(39.871)	9.051	05/15/2067	2FE
020002-AW-1...	ALLSTATE CORP		08/24/2009	CHASE SECURITIES, INC		190.545	175.000	174.753	.0	.12	.0	.0	.12	.0	174.765	.0	15.780	15.780	3.093	05/16/2014	1FE
02148H-AR-2...	ALTERNATIVE LOAN TR																				
00184A-AG-0...	6.000% 11/25/ AOL TIME WARNER 7.70%		07/14/2009	PRINCIPAL RECEIPT		8.125	8.125	8.201	8.200	.0	(75)	.0	(75)	.0	8.125	.0	.0	.0	2.641	11/25/2036	3FE
00184A-AC-9...	AOL TIME WARNER INC.		08/13/2009	VARIOUS		1,257.120	1,200.000	1,201.910	1,201.568	.0	(79)	.0	(79)	.0	1,201.489	.0	55.631	55.631	89.060	05/01/2032	2FE
03760A-AK-7...	MORGAN STANLEY&CO INC PRO		07/24/2009	BARCLAYS CAPITAL LE		378.915	375.000	415.193	413.170	.0	(430)	.0	(430)	.0	412.740	.0	(33.825)	(33.825)	30.313	04/15/2031	2FE
001957-BD-0...	APOGENT TECHNOLOGIES INC.		07/29/2009	CANTOR FITZGERALD & CO		231.750	150.000	183.094	.0	(553)	.0	.0	.0	.0	182.541	.0	49.209	49.209	27	12/15/2033	2FE
00206R-AR-3...	AT&T CORP. STEP UP		07/01/2009	AT&T INC		957.941	825.000	721.875	767.142	.0	388	.0	388	.0	767.529	.0	190.411	190.411	42.533	11/15/2031	1FE
05949C-CA-2...	5.800% 2/15/ BA MTG SECS INC 2005-F		09/29/2009	MORGAN STANLEY&CO INC PRO		107.036	100.000	103.818	.0	(99)	.0	.0	(99)	.0	103.719	.0	3.317	3.317	3.818	02/15/2019	1FE
	PRINCIPAL RECEIPT		09/25/2009			77.526	77.526	69.774	70.663	.0	6.863	.0	6.863	.0	77.526	.0	.0	.0	2.592	07/25/2035	4FE

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
060516-DY-2..	BANK AMER FDG CORP.....		09/10/2009..	WALL STREET ACCESS.....		1,670,565	1,500,000	1,656,000	.0	.0	(659)	.0	(659)	.0	1,655,341	.0	15,224	15,224	37,490	06/15/2014..	1FE...
060516-DZ-9..	BANK AMER FDG CORP.....		09/08/2009..	VARIOUS.....		221,632	200,000	206,440	.0	.0	(84)	.0	(84)	.0	206,355	.0	15,277	15,277	4,130	06/01/2019..	1FE...
060516-EA-3..	BANK AMER FDG CORP.....		09/09/2009..	BANC AMERICA SECURITIES L.....		286,019	275,000	274,310	.0	.0	.8	.0	.8	.0	274,318	.0	11,701	11,701	2,219	08/01/2016..	1FE...
06406H-BM-0..	BANK NEW YORK MTN BK ENT.....		09/28/2009..	VARIOUS.....		296,703	275,000	275,740	.0	.0	(21)	.0	(21)	.0	275,718	.0	20,985	20,985	5,745	05/15/2019..	1FE...
	BEAR STEARNS ARM TR 2006-2..		09/25/2009..	VARIOUS.....		245,288	382,340	373,020													
07388D-AC-2..	BECKMAN COULTER INC.....		07/29/2009..	VARIOUS.....		312,750	300,000	344,021													
075811-AD-1..	BLACKROCK INC.....		07/29/2009..	VARIOUS.....		857,410	450,000	524,289													
09247X-AB-7..	BP CAP MKTS P L C.....		09/02/2009..	MIZUHO SECURITIES USA INC.....		2,599,300	2,500,000	2,571,250	.0	.0	(425)	.0	(425)	.0	2,570,825	.0	334,625	334,625	14,885	02/15/2035..	1FE...
055650-BH-0..	BURLINGTON NORTH SF 2001-1..		07/15/2009..	PRINCIPAL RECEIPT.....		18,642	18,642	19,033	.0	.0	(391)	.0	(391)	.0	18,642	.0	.0	.0	627	07/15/2022..	1FE...
12189P-AJ-1..	BURLINGTON NORTHERN SANTA FE 8.25%.....		07/15/2009..	Sink PMT @ 100.0000000.....		40,390	40,390	41,598	.28,645	.0	(1,208)	.0	(1,208)	.0	40,390	.0	.0	.0	2,848	01/15/2021..	1FE...
12189P-AG-7..	BURLINGTON NORTHN SANTA FE CP.....		07/28/2009..	WALL STREET ACCESS.....		2,162,660	2,000,000	2,288,640	2,284,415	.0	(2,341)	.0	(2,341)	.0	2,282,074	.0	(119,414)	(119,414)	97,200	06/01/2036..	2FE...
16162W-HL-6..	CHASE MORTGAGE FIN CO 2004-S1.....		09/17/2009..	VARIOUS.....		921,087	936,609	905,291	909,985	.0	2,419	.0	2,419	.0	912,403	.0	8,683	8,683	29,469	02/25/2019..	1FE...
161630-AQ-1..	CHASE MORTGAGE FIN TR 2007-A1.....		09/25/2009..	PRINCIPAL RECEIPT.....		253,923	253,923	247,258	247,304	.0	6,619	.0	6,619	.0	253,923	.0	.0	.0	6,567	02/25/2037..	1FE...
17312K-AQ-5..	CITICORP MTG SEC REMIC 2007-5.....		09/25/2009..	PRINCIPAL RECEIPT.....		12,736	12,736	11,017	11,091	.0	1,646	.0	1,646	.0	12,736	.0	.0	.0	465	06/25/2037..	1FE...
	CITIGROUP INC FDIC GTD TLGP.....		08/07/2009..	GOLDMAN, SACHS & CO.....		724,739	725,000	723,594	.0	.0	218	.0	218	.0	723,812	.0	927	927	8,217	04/30/2012..	1FE...
17313U-AE-9..	COMCAST CORP 5.30%.....		09/04/2009..	VARIOUS.....		719,975	675,000	678,647	677,087	.0	(249)	.0	(249)	.0	676,838	.0	43,138	43,138	41,241	01/15/2014..	2FE...
20046P-AB-4..	COMM 2000-C1.....		09/15/2009..	PRINCIPAL RECEIPT.....		101,119	101,119	108,790	103,950	.0	(2,831)	.0	(2,831)	.0	101,119	.0	.0	.0	5,194	08/15/2033..	1FE...
208251-AE-8..	CONOCO INC.....		07/31/2009..	STIFEL, NICOLAUS & CO., IN.....		4,493,400	4,000,000	4,410,180	4,404,919	.0	(6,075)	.0	(6,075)	.0	4,398,845	.0	94,555	94,555	223,944	04/15/2029..	1FE...
	CDX COMMUNICATIONS INC NEW.....		07/23/2009..	GOLDMAN, SACHS & CO.....		928,944	900,000	900,295	900,181	.0	(21)	.0	(21)	.0	900,161	.0	28,783	28,783	30,384	12/15/2014..	2FE...
224044-BM-8..	CSFB COML MTG PTC 2005-C5.....		08/11/2009..	RAYMOND JAMES & ASSOCIATE.....		488,691	500,000	492,963	494,366	.0	388	.0	388	.0	494,754	.0	(6,062)	(6,062)	17,921	08/15/2038..	1FE...
225470-AF-6..	CSFB MTG PTC 2005-5.....		09/25/2009..	PRINCIPAL RECEIPT.....		7,874	7,874	7,966	7,959	.0	(84)	.0	(84)	.0	7,874	.0	.0	.0	352	07/25/2035..	1FE...
126408-GJ-6..	CSX CORP.....		09/28/2009..	Barclays Capital.....		130,950	125,000	124,585	.0	.0	7	.0	7	.0	124,592	.0	6,358	6,358	2,897	05/01/2017..	1FE...
	CWALT INC 5.500% 12/25/.....		09/25/2009..	PRINCIPAL RECEIPT.....		17,186	17,186	17,244	17,246	.0	(60)	.0	(60)	.0	17,186	.0	.0	.0	631	12/25/2035..	2FE...
12668A-Z3-2..	CWALT INC 2005-29CB.....		09/25/2009..	VARIOUS.....		1,324,825	1,621,094	1,284,717	1,287,618	.0	18,985	.0	18,985	.0	1,306,603	.0	18,222	18,222	55,761	07/25/2035..	2FE...
12668A-U6-6..	CWALT INC 2005-69.....		09/25/2009..	PRINCIPAL RECEIPT.....		7,523	7,523	5,262	5,301	.0	2,222	.0	2,222	.0	7,523	.0	.0	.0	135	12/25/2035..	3FE...
12668A-N2-7..	CWALT INC 2005-71.....		09/25/2009..	PRINCIPAL RECEIPT.....		147,153	39,535	37,233	37,233	.0	109,920	.0	109,920	.0	147,153	.0	.0	.0	6,228	01/25/2036..	6FE...
12668A-H7-3..	CWALT INC 2006-24CB.....		09/25/2009..	PRINCIPAL RECEIPT.....		46,422	46,422	45,457	45,471	.0	950	.0	950	.0	46,422	.0	.0	.0	1,863	08/25/2036..	4FE...
021461-AA-5..	CWALT INC 2006-42.....		09/25/2009..	PRINCIPAL RECEIPT.....		248,553	228,047	191,495	191,495	37,333	19,725	.0	57,058	.0	248,553	.0	.0	.0	9,856	01/25/2047..	5FE...
02148Y-AC-8..	CWALT INC 2007-19.....		09/25/2009..	PRINCIPAL RECEIPT.....		73,294	73,294	46,542	43,306	5,015	24,973	.0	29,988	.0	73,294	.0	.0	.0	2,948	08/25/2037..	6FE...
02151A-AJ-9..	CWALT INC 2007-3T1.....		09/25/2009..	PRINCIPAL RECEIPT.....		177,254	167,948	125,741	125,741	41,449	10,064	.0	51,513	.0	177,254	.0	.0	.0	7,106	03/25/2027..	6FE...
02149V-AU-3..	CWALT INC RESECURE 2006-22R.....		09/25/2009..	PRINCIPAL RECEIPT.....		167,992	167,992	169,068	169,703	.0	(1,711)	.0	(1,711)	.0	167,992	.0	.0	.0	7,081	05/25/2036..	5FE...
02147L-AL-7..	CWMB5 INC 2005-25.....		09/25/2009..	PRINCIPAL RECEIPT.....		97,565	97,565	96,833	96,807	.0	757	.0	757	.0	97,565	.0	.0	.0	3,433	11/25/2035..	1FE...
126694-HM-3..	DEUTSCHE TELEKOM INTL FIN B V.....		08/07/2009..	JEFFERIES & CO BONDS DIR.....		158,367	150,000	144,200	145,423	.0	307	.0	307	.0	145,730	.0	12,637	12,637	7,643	03/23/2016..	2FE...
25156P-AH-6..	DLJ COMMERCIAL MTG 1999-CG3.....		07/10/2009..	PRINCIPAL RECEIPT.....		51,959	51,959	55,724	55,504	.0	(3,545)	.0	(3,545)	.0	51,959	.0	.0	.0	2,278	10/10/2032..	1FE...
23322B-GB-8..	DOW CHEM CO.....		09/16/2009..	CREDIT SUISSE FIRST BOSTO.....		211,916	200,000	207,594	205,166	.0	(902)	.0	(902)	.0	204,265	.0	7,651	7,651	11,667	10/01/2012..	2FE...
260543-BR-3..	DOW CHEM PASS THRU TR.....		09/30/2009..	MATURITY.....		925,000	925,000	925,000	925,000	.0	.0	.0	.0	.0	925,000	.0	.0	.0	27,937	09/30/2009..	1FE...
260546-AA-4..	E M C CORP MASS.....		07/29/2009..	OPPENHEIMER & CO., INC.....		255,094	225,000	284,441	268,502	.0	(9,080)	.0	(9,080)	.0	259,422	.0	(4,328)	(4,328)	2,647	12/01/2011..	1FE...
268648-AK-8..	ENTERGY GULF STS LA LLC.....		07/31/2009..	STIFEL, NICOLAUS & CO., IN.....		1,023,360	1,000,000	995,600	995,806	.0	199	.0	199	.0	996,005	.0	27,355	27,355	45,667	05/01/2018..	2FE...
29385P-AN-2..	FEDERAL EXPRESS 6.72%.....		07/15/2009..	Sink PMT @ 100.0000000.....		6,624	6,624	7,443	7,237	.0	(613)	.0	(613)	.0	6,624	.0	.0	.0	445	01/15/2022..	1FE...
31331F-AX-9..	FIRST HORIZON MTG TR 2005-AR5.....		09/25/2009..	PRINCIPAL RECEIPT.....		115,555	103,999	105,045	105,045	.0	10,510	.0	10,510	.0	115,555	.0	.0	.0	4,462	11/25/2035..	1FE...
320516-XO-3..	FLORIDA POWER CORP.....		07/30/2009..	HSBC SECURITIES, INC.....		57,194	50,000	49,789	49,790	.0	.1	.0	.1	.0	49,792	.0	7,402	7,402	2,036	06/15/2038..	1FE...
341099-CL-1..	FLORIDA PWR & LT CO.....		07/30/2009..	HSBC SECURITIES, INC.....		71,741	75,000	67,241	67,593	.0	72	.0	72	.0	67,665	.0	4,076	4,076	2,506	06/01/2035..	1FE...
341081-ET-0..	GENERAL ELEC CAP CORP MTN BE.....		09/16/2009..	WALL STREET ACCESS.....		4,022,040	4,000,000	3,856,960	3,874,074	.0	8,776	.0	8,776	.0	3,882,850	.0	139,190	139,190	237,600	02/15/2017..	1FE...
369626-2G-8..	GENERAL ELEC CAP CORP MTN BE.....		08/07/2009..	BTIG LLC.....		129,500	175,000	175,000	175,000	.0	.0	.0	.0	.0	175,000	.0	(45,500)	(45,500)	8,274	11/15/2067..	1FE...
369626-3M-4..	GENL ELEC CAP CORP FDIC TLGP.....		08/06/2009..	GOLDMAN, SACHS & CO.....		151,364	150,000	149,954	.0	.0	9	.0	9	.0	149,963	.0	1,401	1,401	1,088	03/11/2011..	1FE...
36967H-AL-1..	GMAC COML MTG SECS 2000-C1.....		09/15/2009..	PRINCIPAL RECEIPT.....		186,180	186,180	203,445	191,127	.0	(4,948)	.0	(4,948)	.0	186,180	.0	.0	.0	9,874	03/15/2033..	1FE...
361849-KN-1..	GMAC COML MTGE SECS 2000-C2.....		09/16/2009..	PRINCIPAL RECEIPT.....		56,914	56,914	61,876	61,650	.0	(4,736)	.0	(4,736)	.0	56,914	.0	.0	.0	2,950	08/16/2033..	1FE...
361849-MK-5..	GSR MTG LN TR 2006-2F.....		09/25/2009..	PRINCIPAL RECEIPT.....		240,114	240,114	240,120	240,113	.0	7	.0	7	.0	240,114	.0	.0	.0	8,849	02/25/2036..	4FE...
362334-CN-2..																					

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
406216-AR-2	HALLIBURTON CO. HARBORVIEW MTG LN TR 2006-12		08/07/2009	BANC AMERICA SECURITIES L		130,403	125,000	124,636	124,842	0	51	0	51	0	124,893	0	5,509	5,509	5,672	10/15/2010	1FE
41162D-AF-6	2006-12		09/19/2009	PRINCIPAL RECEIPT		5,307	5,307	3,887	3,920	0	1,386	0	1,386	0	5,307	0	0	0	22	12/19/2036	4FE
428236-AT-0	HEWLETT PACKARD CO.		08/11/2009	WACHOVIA SECURITIES CAPIT		3,232,340	2,900,000	2,887,269	2,887,419	0	1,290	0	1,290	0	2,888,709	0	343,631	343,631	122,857	03/01/2014	1FE
438516-AX-4	HONEYWELL INTL INC.		07/23/2009	WALL STREET ACCESS		1,046,360	1,000,000	978,110	979,057	0	1,001	0	1,001	0	980,058	0	66,302	66,302	48,142	03/01/2018	1FE
404280-AG-4	HSBC HLDGS PLC.		08/11/2009	DEUTSCHE BANK SECURITIES		194,472	200,000	199,712	199,721	0	2	0	2	0	199,724	0	(5,252)	(5,252)	10,183	05/02/2036	1FE
450679-AT-2	ITT CORP.		07/30/2009	VARIOUS		1,663,677	1,550,000	1,782,560	1,770,466	0	(4,476)	0	(4,476)	0	1,765,990	0	(102,313)	(102,313)	82,520	11/15/2025	2FE
466247-LR-2	JP MORGAN ACCEPT 2005-A1		09/25/2009	PRINCIPAL RECEIPT		106,364	106,364	90,410	91,132	0	15,232	0	15,232	0	106,364	0	0	0	3,450	02/25/2035	1FE
46627M-AU-1	JP MORGAN ALT LN TR 2005-S1		07/25/2009	VARIOUS		3,362,873	4,766,686	3,575,014	3,554,298	0	34,430	0	34,430	0	3,588,728	0	(225,855)	(225,855)	188,671	12/25/2035	1FE
46625H-DD-9	JP MORGAN CHASE & CO KANSAS GAS & ELEC CO		08/14/2009	SALOMON SMITH BARNEY INC/		129,635	125,000	122,438	123,900	0	321	0	321	0	124,221	0	5,414	5,414	6,261	01/17/2011	1FE
485260-BH-5	5.647% 3/29/ LEGGETT & PLATT INC		09/29/2009	CALLED @ 100.0000000		50,163	50,163	49,536	0	0	8	0	8	0	49,544	0	619	619	1,416	03/29/2021	1FE
524660-AT-4	4.400% 7/01/		07/28/2009	WHEAT FIRST-1ST CLEARING		1,390,575	1,500,000	1,283,670	1,316,513	0	8,359	0	8,359	0	1,324,872	0	65,703	65,703	71,500	07/01/2018	1FE
55292A-AA-6	MASTR ASSET SEC TR 2007-1		09/25/2009	PRINCIPAL RECEIPT		219,100	219,100	191,713	193,085	0	26,015	0	26,015	0	219,100	0	0	0	8,026	11/25/2037	3FE
55265K-3R-8	MASTR ASSET TR 2003-12		09/25/2009	PRINCIPAL RECEIPT		24,299	24,299	24,242	24,242	0	57	0	57	0	24,299	0	0	0	852	12/25/2033	1FE
61753J-AE-9	IQ13		08/06/2009	GOLDMAN, SACHS & CO		187,980	225,000	220,148	220,558	0	243	0	243	0	220,801	0	(32,821)	(32,821)	8,381	03/15/2044	1FE
629568-AP-1	NABORS INDS INC		07/28/2009	BARCLAYS CAPITAL LE		1,422,188	1,500,000	1,622,876	1,596,479	0	(23,846)	0	(23,846)	0	1,572,634	0	(150,446)	(150,446)	10,027	05/15/2011	2FE
654902-AC-9	NOKIA CORP SR UNSEC		08/21/2009	CREDIT SUISSE FIRST BOSTO		225,800	200,000	198,988	0	0	3	0	3	0	198,991	0	26,808	26,808	4,003	05/15/2039	1FE
666807-BA-9	NORTHROP GRUMMAN CORP.		09/25/2009	MORGAN STANLEY&CO INC PRO		52,415	50,000	49,919	0	0	1	0	1	0	49,919	0	2,495	2,495	421	08/01/2019	1FE
67021C-AE-7	NSTAR ELEC CO		08/25/2009	BANK OF NEW YORK		434,880	400,000	418,212	0	0	(912)	0	(912)	0	417,300	0	17,580	17,580	17,688	11/15/2017	1FE
743315-AM-5	PROGRESSIVE CORP OHIO		08/07/2009	SALOMON SMITH BARNEY INC/		98,750	125,000	124,661	124,662	0	0	0	0	0	124,662	0	(25,912)	(25,912)	5,514	06/15/2067	1FE
743873-AW-1	PROVIDENT FDG MTG LN		09/25/2009	PRINCIPAL RECEIPT		12,355	12,355	10,502	8,484	0	3,871	0	3,871	0	12,355	0	0	0	401	05/25/2035	1FE
771196-AN-2	2005-1		07/09/2009	VARIOUS		1,132,109	1,075,000	1,069,303	0	0	642	0	642	0	1,069,944	0	62,165	62,165	18,303	03/01/2012	1FE
79548K-3J-5	ROCHE HLDGS INC		09/18/2009	PRINCIPAL RECEIPT		152,083	152,083	164,678	164,283	0	(12,200)	0	(12,200)	0	152,083	0	0	0	7,876	02/18/2032	1FE
792860-AD-0	ST. PAUL COS. NOTE 8.125% 04/15/10		07/23/2009	BANC AMERICA SECURITIES L		943,650	900,000	895,644	899,222	0	328	0	328	0	899,550	0	44,100	44,100	57,484	04/15/2010	1FE
86361J-AN-0	STRUCTURED ADJ RATE 2006-8		09/03/2009	VARIOUS		152,965	638,585	182,851	181,543	0	18,358	0	18,358	0	199,901	0	(46,936)	(46,936)	25,727	09/25/2036	3FE
87927V-AM-0	TELECOM ITALIA CAP		08/07/2009	JEFFERIES & CO BONDS DIR		9,148	10,000	8,922	8,959	0	9	0	9	0	8,968	0	180	180	520	09/30/2034	2FE
887315-BJ-7	TIME WARNER COMPANIES INC		07/30/2009	STIFEL, NICOLAUS & CO., INC		2,201,360	2,000,000	2,175,300	2,159,874	0	(8,169)	0	(8,169)	0	2,151,706	0	49,654	49,654	126,403	10/15/2017	2FE
89417E-AF-6	TRAVELERS COMPANIES INC		09/29/2009	MORGAN STANLEY&CO INC PRO		111,756	100,000	99,560	0	0	11	0	11	0	99,571	0	12,185	12,185	1,934	06/02/2019	1FE
907833-AG-2	UNION PACIFIC RR		07/02/2009	Sink PMT @ 100.0000000		1,441	1,441	1,441	1,441	0	0	0	0	0	1,441	0	0	0	91	01/02/2020	1FE
907833-AJ-6	UNION PACIFIC RR CO 2000-1		07/10/2009	PRINCIPAL RECEIPT		14,505	14,505	17,713	16,885	0	(2,381)	0	(2,381)	0	14,505	0	0	0	1,160	01/10/2021	1FE
91324P-AP-7	UNITEDHEALTH GROUP INC		08/06/2009	SALOMON SMITH BARNEY INC/		51,842	50,000	49,920	49,962	0	10	0	10	0	49,972	0	1,870	1,870	2,377	03/15/2011	2FE
929903-DF-6	WACHOVIA CORP NEW		09/14/2009	VARIOUS		1,237,503	1,275,000	1,275,000	1,275,000	0	0	0	0	0	1,275,000	0	(37,497)	(37,497)	22,063	04/23/2012	1FE
92922F-JC-0	WAMU MTG CERT 2004-CB2		08/25/2009	VARIOUS		237,651	239,112	237,356	237,749	0	49	0	49	0	237,798	0	(147)	(147)	8,908	08/25/2019	1FE
92922F-W2-0	WAMU MTG CERT 2005-AR10		09/25/2009	PRINCIPAL RECEIPT		47,216	47,216	45,549	45,607	0	1,609	0	1,609	0	47,216	0	0	0	1,539	09/25/2035	1FE
92922F-W3-8	WAMU MTG CERT 2005-AR10		07/23/2009	MCDONALD & COMPANY SECURI		2,243,150	3,451,000	2,294,915	2,305,327	0	34,805	0	34,805	0	2,340,133	0	(96,983)	(96,983)	109,738	09/25/2035	1FE
93363N-AF-2	WAMU MTG CERT 2006-AR12		09/25/2009	PRINCIPAL RECEIPT		24,358	24,358	22,469	22,469	0	1,889	0	1,889	0	24,358	0	0	0	938	10/25/2036	5FE
93935P-AP-4	WAMU PTC WMALT 2007-1		09/25/2009	PRINCIPAL RECEIPT		16,795	16,795	15,640	15,671	0	1,124	0	1,124	0	16,795	0	0	0	638	01/25/2022	5FE
949746-NY-3	WELLS FARGO & CO NEW		09/25/2009	BROADPOINT CAPITAL		103,744	100,000	92,697	93,013	0	1,127	0	1,127	0	94,140	0	9,604	9,604	5,104	01/31/2013	1FE
949746-CL-3	WELLS FARGO 5.125%		07/15/2009	MORGAN STANLEY&CO INC PRO		618,360	600,000	602,874	601,328	0	(180)	0	(180)	0	601,148	0	17,212	17,212	27,248	09/01/2012	1FE
949810-AF-5	WELLS FARGO MBS 2005-AR16		09/25/2009	PRINCIPAL RECEIPT		19,561	19,561	19,029	19,033	0	528	0	528	0	19,561	0	0	0	625	10/25/2035	1FE
94982P-AA-7	WELLS FARGO MBS 2005-AR7		09/25/2009	PRINCIPAL RECEIPT		151,641	151,641	150,211	150,205	0	1,436	0	1,436	0	151,641	0	0	0	5,121	05/25/2035	1FE
94983B-AA-7	WELLS FARGO MBS 2006-4		09/25/2009	PRINCIPAL RECEIPT		30,636	30,636	29,963	29,963	0	673	0	673	0	30,636	0	0	0	1,114	04/25/2036	1FE
94980S-AQ-8	WELLS FARGO MBS 2006-9																				

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Schedule DB - Part A - Section 1
NONE

Schedule DB - Part B - Section 1
NONE

Schedule DB - Part C - Section 1
NONE

Schedule DB - Part D - Section 1
NONE

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0



STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code 00380 NAIC Company Code 53007

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected.....	5,239,437	XXX		XXX	5,239,437
2. Earned Premiums	5,239,437	XXX		XXX	XXX
3. Claims Paid.....	4,787,209	XXX		XXX	4,787,209
4. Claims Incurred.....	4,824,057	XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing – Claims Paid Net of Reimbursements Applied (a).....	XXX		XXX		0
6. Aggregate Policy Reserves - Change.....		XXX		XXX	XXX
7. Expenses Paid.....	1,096,228	XXX		XXX	1,096,228
8. Expenses Incurred.....	1,096,228	XXX		XXX	XXX
9. Underwriting Gain or Loss.....	(680,848)	XXX	0	XXX	XXX
10. Cash Flow Result	XXX	XXX	XXX	XXX	(644,000)

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ due from CMS or \$ due to CMS